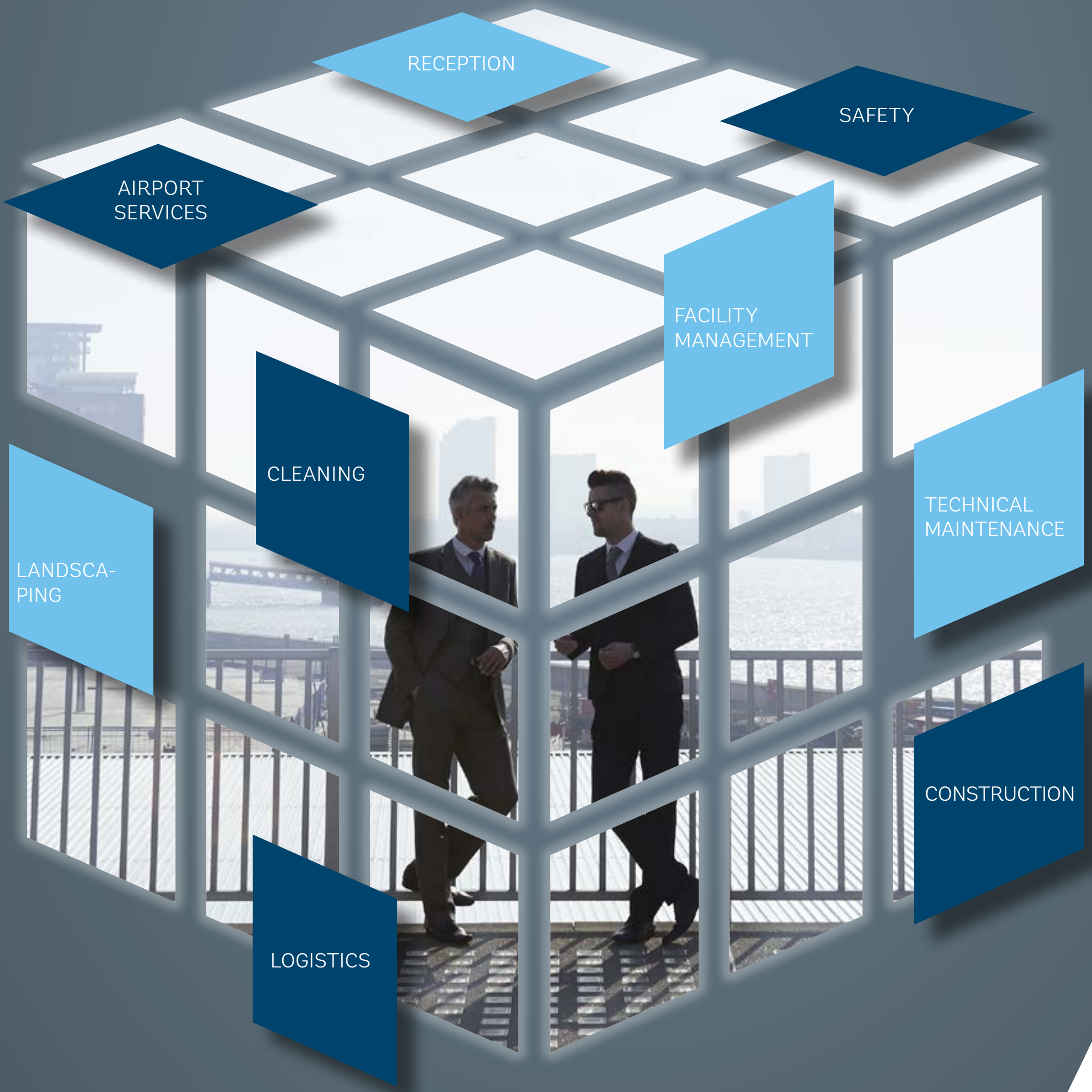
# 2014 Annual report




ATALIAN
GLOBAL SERVICES

# ANNUAL REPORT 2014

**ATALIAN GLOBAL SERVICES**
is an independent French group of companies and a major provider of global services to enterprises and local authorities.
It is a leader in the multi-technical and multi-service sector specialised in industrial cleaning, safety, transportation, airport services, reception and landscaping, and employs over 65,000 people.
ATALIAN operates in 16 countries, serving over 25,000 customers in the public and private sectors.
Its activities focus on two growth areas: international development and facility management.

# 1 PROFILES

# ATALIAN
# KEY DATES

**2014** Expansion into Asia with the acquisition of FMAS (Thailand) and Trintunggal (Indonesia).
Strengthening of our positions in Turkey with the acquisition of ETKIN SERVIS HIZMETLERI AS.
ATALIAN becomes a majority shareholder in Ergelis, a French company specialised in building management systems and energy performance.
Acquisition of certain Niwaki Group companies (France Claire, Netecler, Marietta, TFS and Probus) operating throughout France in the cleaning and associated services sector.

**2013** The Group launches a €250 million bond issue maturing in 2020 at the rate of 7.25%. Purchase of Carrard Services. Expansion into Turkey with the acquisition of ARTEM. Creation of a pan-European alliance through United Facility Solutions.

**2012** The Julien family regains full ownership of ATALIAN after the Group sought new investors in 2009 at Marceau Capital, which acquired 8.22% of shares. Transfer of operating facilities in Spain.

**2011** Purchase of AGOM and ATLANTIS in Belgium, VIP GROUP in Morocco and KAF Facility in the Czech Republic.

**2010** Purchase of EKUS and KADUS in Croatia, ESCORT and BFM in Hungary and PFM in the Czech Republic.

**2009** Acquisition of VEOLIA Propreté Nettoyage et Multiservices (France's sixth-largest provider of cleaning services) and EUROGEM (subsidiary of the ICADE group and pioneer in multi-technical services and services engineering).

**2009** TFN becomes ATALIAN Global Services. International growth with the opening of the Group's first subsidiaries in Slovakia and the Czech Republic.

**2007** Launch of the landscaping business with the purchase of Pinson Paysage (development and maintenance of parks and gardens). Signature of an exclusive partnership with City One Group (reception business).

**2006** Development of the reception business with the purchase of Hôtesses et Grooms de Paris (in-company front of house services, event-related services, airport services, field marketing).

**2003** Founding of MTO (Maintenance Technique Optimisée) (facility management, multi-service and multi-technical).

**2002** Launch of the construction business with the acquisition of Lagrange (HVAC, roofing, plumbing).

**2001** Opening of the Group's first foreign subsidiaries in Hungary and Poland.

**2000** Founding of the TFN Group, which combines the cleaning and safety divisions under a single brand. Franck Julien appointed Chairman of the Management Board.

**1999** Launch of technical activity (multi-service, multi-technical).

**1977** First diversification with the founding of Lancry (security and safety).

**1944** Founding of TFN, originally specialised in cleaning services.

# 2014 FOCUS

With €1.3 billion in revenue, including €160 million generated through international operations in sixteen countries, and total headcount of more than 65,000 employees, 10,000 of whom work outside of France, ATALIAN's healthy appetite has been proved again and again! Over the last twenty years, the company has acquired 200 companies, mainly in France. In 2001, it began expanding abroad in order to follow its customers, creating subsidiaries in Hungary, Poland, Morocco, Slovakia and the Czech Republic.

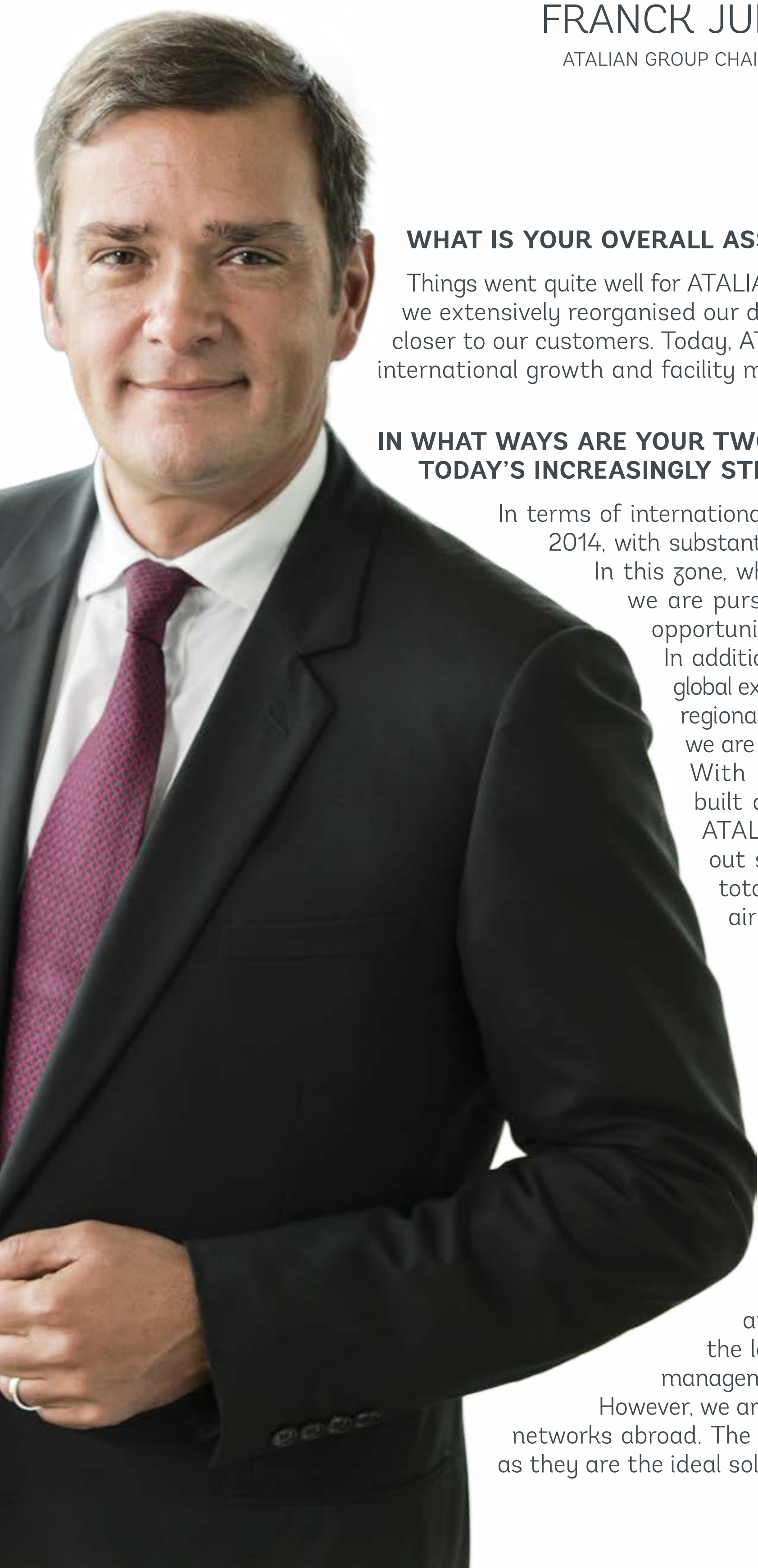
Turkey perfectly illustrates ATALIAN's international growth strategy. The Group established its presence in the country in 2012 with the purchase of a cleaning company, and in early 2014 acquired ETKIN Services Co., a company specialising in technical maintenance. And we're not stopping there, as ATALIAN already has its sights set on the safety sector. The year closed with the launch of our first operations in Asia and the strengthening of our positions in Turkey.

In facility management, ATALIAN has finalised a new external growth operation: by becoming a majority shareholder in Ergelis, a leading provider of building management systems, ATALIAN expanded its portfolio to include energy performance management and enhanced its technical services offering in France and abroad.

2014 was marked by a number of milestones for ATALIAN businesses, the most emblematic being the facility management contract signed with Air France's head office.

# A TALK
## with

## FRANCK JULIEN
ATALIAN GROUP CHAIRMAN



### WHAT IS YOUR OVERALL ASSESSMENT OF 2014?

Things went quite well for ATALIAN in 2014. Despite the sluggish economic climate, we extensively reorganised our development and loyalty-building processes, to be closer to our customers. Today, ATALIAN confirms that its two strategic priorities, international growth and facility management, are more relevant than ever.

### IN WHAT WAYS ARE YOUR TWO STRATEGIC PRIORITIES STILL SUITED TO TODAY'S INCREASINGLY STRAINED ECONOMIC ENVIRONMENT?

In terms of international development, our portfolio grew considerably in 2014, with substantial gains in key multi-country accounts in Europe. In this zone, which offers higher profitability levels than France, we are pursuing our massification strategy while using an opportunistic approach to forge new merger agreements. In addition, ATALIAN is reinforcing its two growth areas in global exporting: in Southeast Asia, where we have set up our regional headquarters in Malaysia, and in Morocco, which we are using as a secondary base to conquer West Africa. With regard to facility management, ATALIAN has built a strong, efficient structure for its new division, ATALIAN Facilities. As the icing on the cake, we beat out serious competition to win two major contracts: total FM for Air France at Roissy Charles de Gaulle airport and soft FM for the EADS group in France.

### IS THE PHRASE "THINK GLOBAL, ACT LOCAL" REALLY COMPATIBLE WITH YOUR STRATEGY?

This motto is still valid today. I would like to reiterate the fact that our acquisition approach has not changed. We generally acquire 51% of the capital of a local business, providing financial support in exchange for its knowledge of the domestic market. Through our country-based structure, in which all functions relating to control, supervision and the spread of know-how are centralised within regional headquarters, we help the local company grow by optimising its operational management, setting up processes, and so on.

However, we are currently thinking about how we can expand our networks abroad. The concept of franchises has caught our attention, as they are the ideal solution for developing networks in remote areas of

**“IN EUROPE, WE HAVE BECOME AN OUTSIDER WORTH NOTING IN FACILITY MANAGEMENT”**

large cities, where it doesn't always make sense for us to maintain direct ownership. As a matter of fact, we just signed our first franchise agreements in the Czech Republic, and we are going to move forward in all the countries where it seems wise to do so, such as in Central Europe and in Turkey.

### ATALIAN IS CONTINUALLY RE-DEFINING ITS BUSINESSES. IS THAT PART OF ITS DNA?

Yes, it's in our genes. ATALIAN is focused on external growth, and has expert know-how in acquisitions and establishing operations in the global export business. We leverage our experience, we're dynamic, we make decisions quickly, our teams are trained in our fields of expertise and we have a finely tuned integration process. This is illustrated by our new energy performance offering, which we plan to develop through the acquisition of Ergelis. And to take this know-how even further, we're currently studying the feasibility of buying energy on the markets at a low cost and re-selling it to our customers. In short, we are moving upmarket by offering energy management consulting to our customers, while remaining true to our business of providing services to end users.

### WHAT ARE YOUR DIFFERENTIATING PLUS POINTS?

Without the slightest hesitation, I would say our ability to acquire businesses and grow on the leading emerging markets, as I explained earlier. Another plus point is our total facility management expertise in our chief businesses, namely industrial cleaning, safety, reception and multi-technical maintenance. And then there's the success of our European partnership UFS - United Facility Solutions, which dynamically enhances our ability to meet our customers' needs. The success we've already met in this area makes us a legitimate alternative, an outsider worth noting.

### IN A SURVEY BY ÉCOVADIS, YOU RANK AMONG THE TOP 10% OF COMPANIES WITH THE MOST EFFECTIVE SUSTAINABLE DEVELOPMENT PROGRAMMES. HOW DO YOU FEEL ABOUT THIS SCORE?

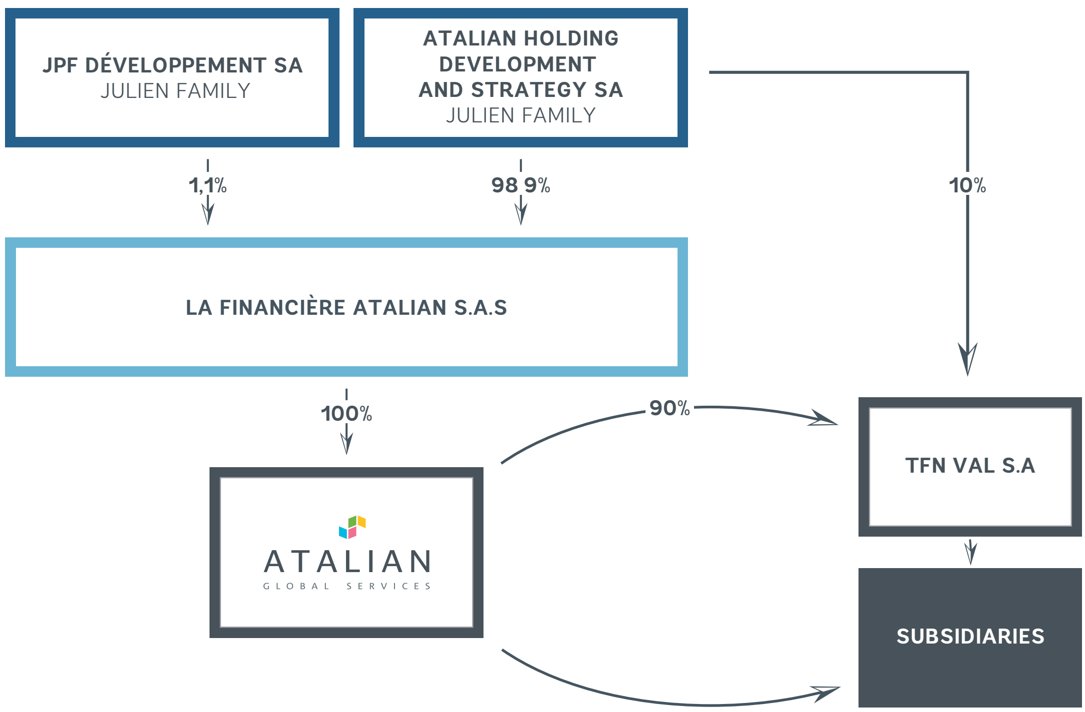
At ATALIAN, when we do something, we try to do it well. If we're undergoing assessment by EcoVadis, we might as well be at the top of the class! The environment is a serious matter and the EcoVadis method encourages us to implement carefully thought-out processes based on rational criteria. This score publicises our good practices and gives our customers and prospects a different vision of our highly skilled lines of business.

### HOW DO YOU ENVISION ATALIAN'S FUTURE?

Very bright! We are enforcing the right policies, and we are confident thanks to the positive results we've achieved. Our strategy is simple and will remain effective in the long term. We are gradually restoring the balance between our profitability in exports and in France, thanks to new sources of exponential growth in global exports. The more lasting these progressive diversification strategies are, the stronger the Group will be.

# GOVERNANCE

### CORPORATE STRUCTURE




### ATALIAN HOLDING - DEVELOPMENT AND STRATEGY (AHD&S)

**Board of Directors:**
Franck JULIEN - **ATALIAN Group Chairman**
Sophie PÉCRIAUX-JULIEN
Jean-Pierre JULIEN
Loïc ÉVRARD
John PENNING
Quentin VERCAUTEREN DRUBBEL

### LA FINANCIÈRE ATALIAN

La Financière ATALIAN is a simplified joint stock company *(société par actions simplifiée)* fully owned by the JULIEN family and steered by three dedicated management committees.

**Chairman**
Jean-Claude SALTIEL

**Investment Committee**
Jean-Claude SALTIEL
Loïc ÉVRARD
Matthieu DE BAYNAST DE SEPTFONTAINES
Antoine TERZIKHAN
Pierre VACHERON
Richard TRANCHÉ

**Account Closing Committee**
AHD&S represented by Franck JULIEN
Jean-Claude SALTIEL
Loïc ÉVRARD

**Remuneration Committee**
AHD&S represented by Franck JULIEN
Jean-Claude SALTIEL
Loïc ÉVRARD

Franck
JULIEN

Sophie
PÉCRIAUX-JULIEN

Loïc
ÉVRARD

Jean-Claude
SALTIEL

Antoine
TERZIKHAN

Pierre
VACHERON

Richard
TRANCHÉ

Serge
VIVIER

Thierry
BRÉMENT

Matthieu
DE BAYNAST

# AN INDEPENDENT FRENCH GROUP

2014 key figures

65,000

**EMPLOYEES**

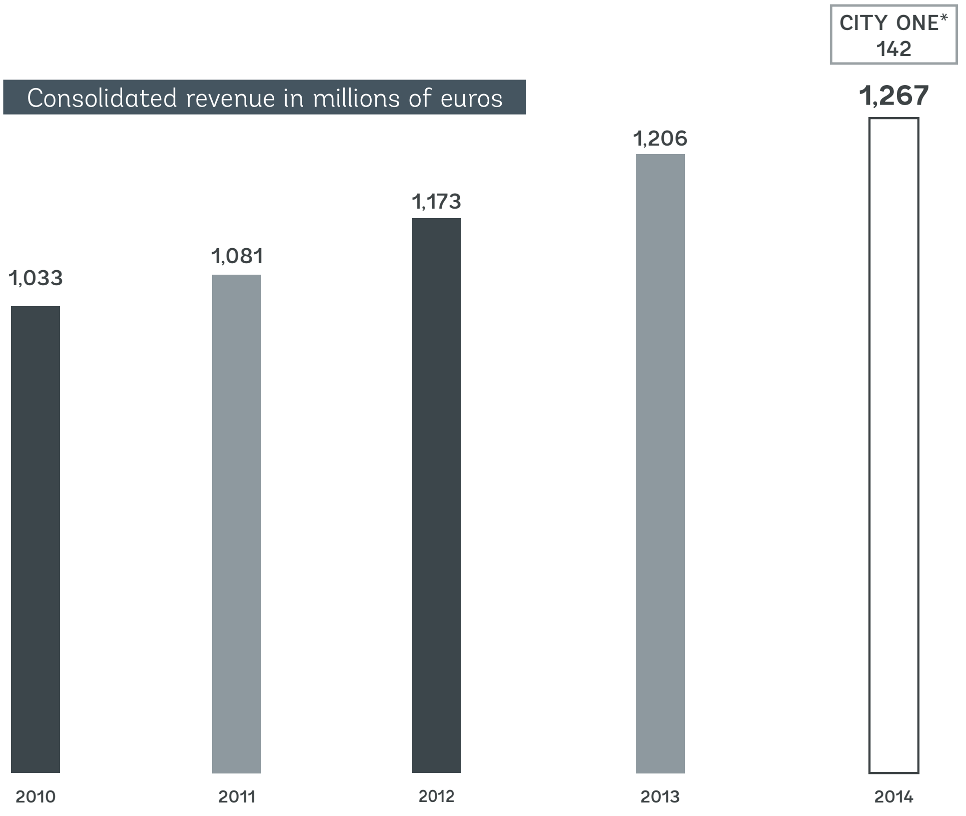
25,000

**CUSTOMERS**

€1.267 billion

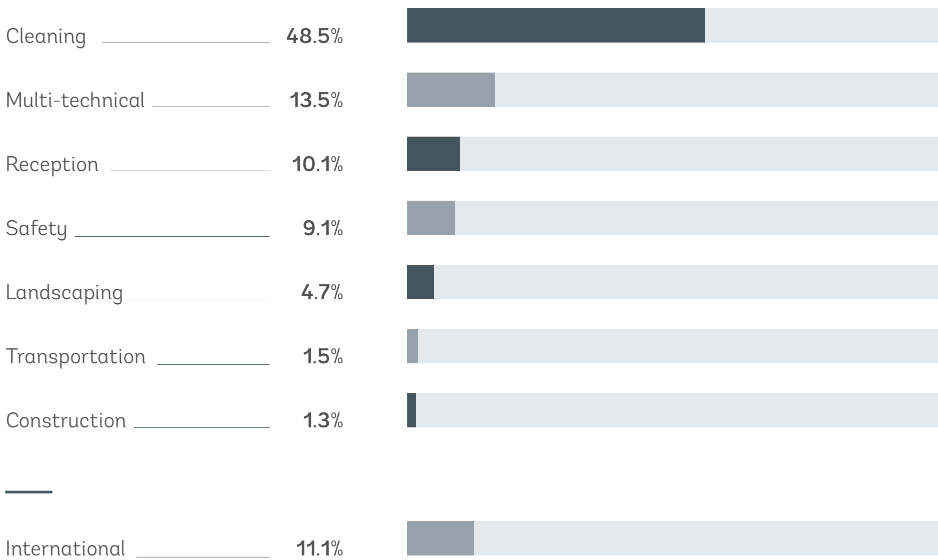
**IN PRO FORMA REVENUE**

Consolidated revenue in millions of euros

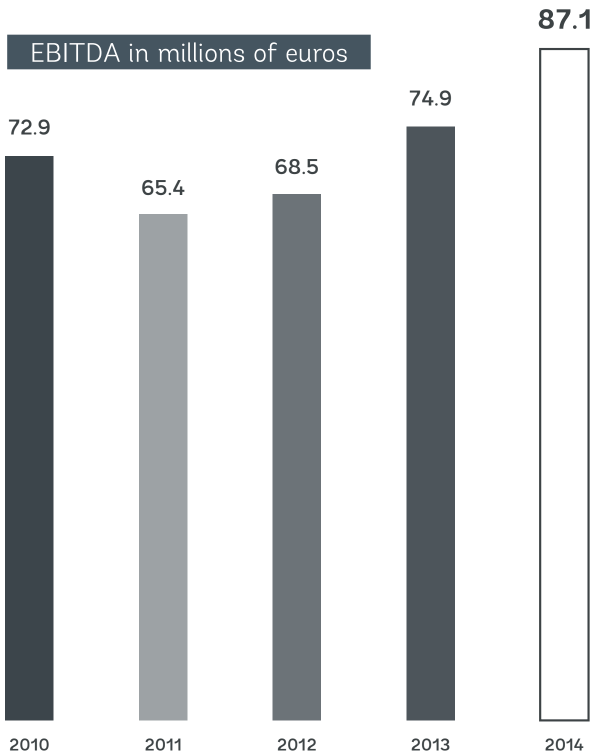



*Exclusive partner

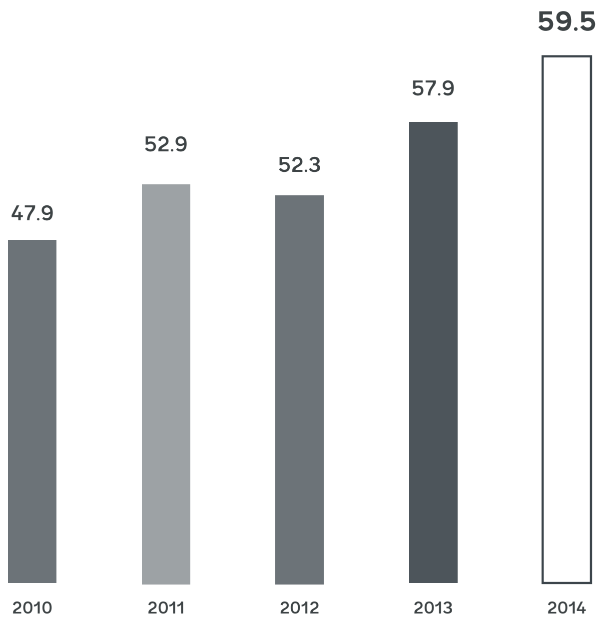
## Breakdown of revenue by activity




## EBITDA in millions of euros

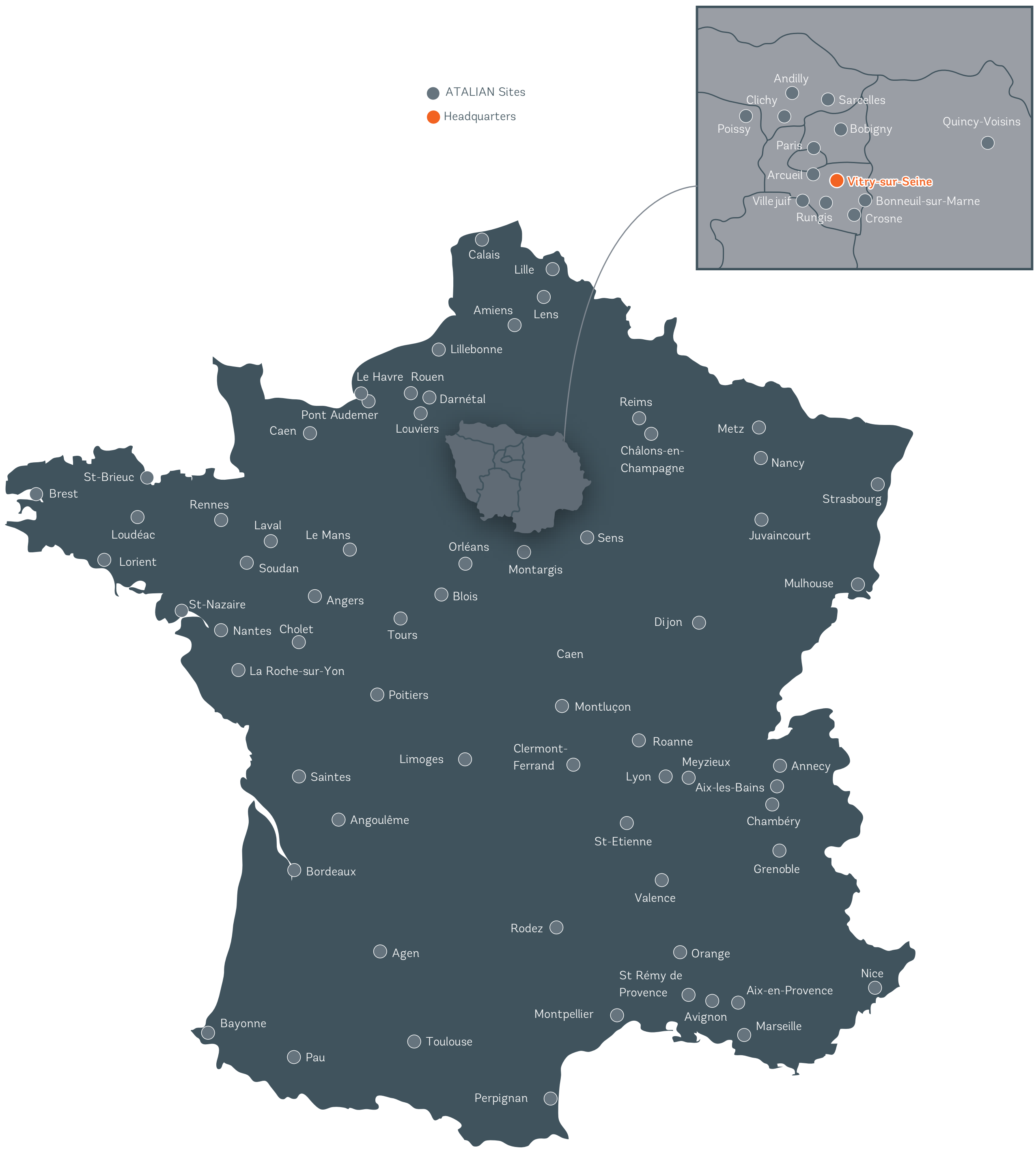


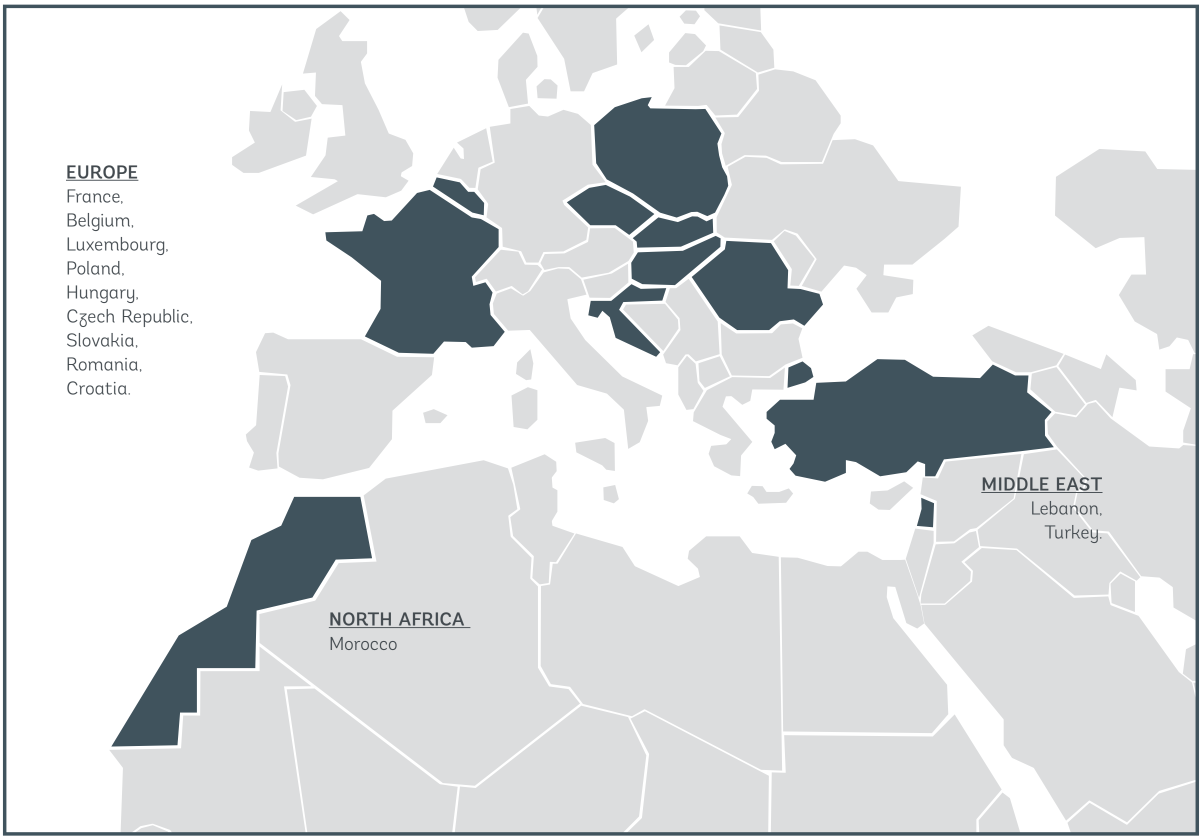

## EBIT in millions of euros



# GEOGRAPHIC PRESENCE

## FRANCE AND INTERNATIONAL

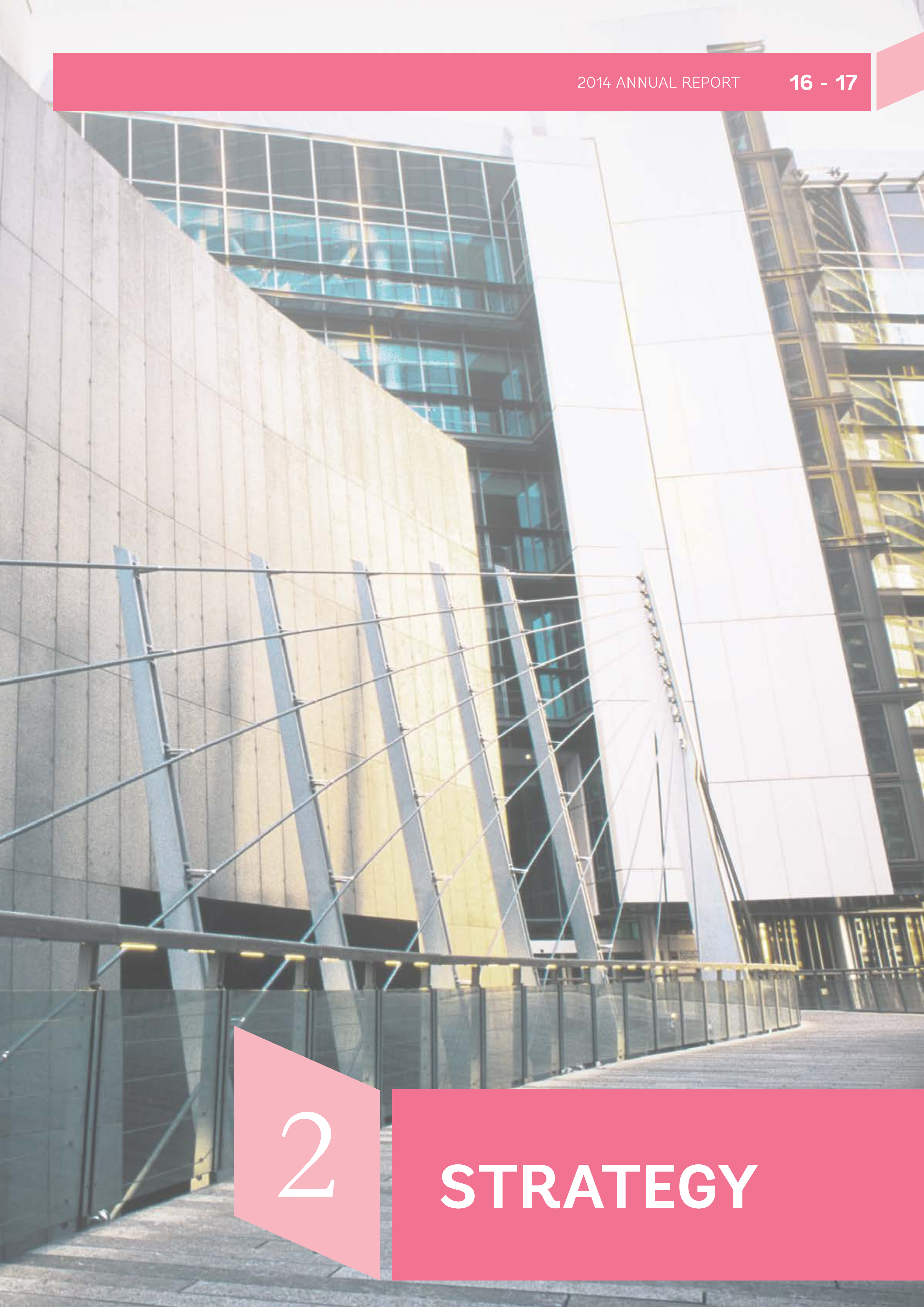



EUROPE
France,
Belgium,
Luxembourg,
Poland,
Hungary,
Czech Republic,
Slovakia,
Romania,
Croatia.
MIDDLE EAST
Lebanon,
Turkey.
NORTH AFRICA
Morocco


ASIA
Thailand,
Indonesia,
Malaysia.

## ATALIAN HAS TWO KEY OBJECTIVES TODAY:

**international growth and facility management. The Group aims to reinforce its market presence, with the ambition of becoming a global leader in the facility management sector.**



# 2 STRATEGY

# OUR GOALS AND VALUES

with

## LOÏC ÉVRARD

CHIEF FINANCIAL OFFICER, ATALIAN GROUP

### WHAT SHOULD WE REMEMBER ABOUT 2014?

Despite France's complex economic climate, which requires extremely rigorous management of the Group's finances, we were able to keep a tight rein on our working capital requirement (WCR). Our financial ratios are quite good this year, and we are pursuing our debt reduction policy, which is good news for investors and the financial market. Moreover, all planned projects were carried out, perfectly in line with the goals and budget defined at the beginning of the financial year.

### DOES EXTERNAL GROWTH PLAY A KEY ROLE IN SUSTAINING THIS LEVEL OF PROFITABILITY?

Between 2003 and 2014, the Group's revenue soared from €230 million to €1.3 billion. This increase was largely due to external growth. In the space of twenty years, we acquired more than 200 companies while rigorously managing our financial structure. We hope to reproduce this same profit-making dynamic in emerging markets, where organic growth rates can be as high as 15 to 20% and profitability levels are close to 13% of company earnings, while profit margins in Central Europe are similar to those achieved in Western Europe. So this is definitely the direction in which we need to go.

### WHAT WILL BE YOUR MAIN CHALLENGES IN THE COMING YEARS?

Our ambition is two-fold: continue to reduce the Group's debt and strengthen our positions abroad. The idea is to be present in 40 countries around the world, particularly in emerging markets – Thailand, Bangladesh, Burma, West and East Africa – within the next five years. 2014 therefore marks the beginning of a long trajectory outside Europe coupled with an ambitious international growth policy while maintaining our financial balance.

### HOW ARE YOU GOING TO GO ABOUT SOLVING THESE CHALLENGES?

The Financial Division organisation we have built is capable of meeting tomorrow's challenges, whether they involve Western Europe's strained economic climate or the group's growth in emerging markets.

### HOW DO YOU SET YOURSELF APART?

Building an in-house audit team dedicated to supporting and securing all Group flows and processes is one of the key success factors of our international growth.

Find out more:
www.atalian.com

**WE ARE KICKING OFF A LONG TRAJECTORY OUTSIDE EUROPE WITH THE GOAL OF EXPANDING INTO FORTY COUNTRIES WITHIN THE NEXT FIVE TO SIX YEARS, MAINLY IN EMERGING MARKETS SUCH AS ASIA**

Loïc ÉVRARD,
ATALIAN Group CFO

## OUR GOALS

- To create value for our customers and allow them to focus on their core business.
- To deliver the best service every day, enhancing the quality of life and comfort of all employees in the companies we serve.
- To ensure our growth strategy is compatible with sustainable development.
- To become the leading player in our field of business.

## OUR VALUES

- Entrepreneurial spirit
- Integrity
- Sustainable responsibility
- Adaptability
- Simplicity

# INTERNATIONAL OPERATIONS

Figures, map and main focus

2014 key figures

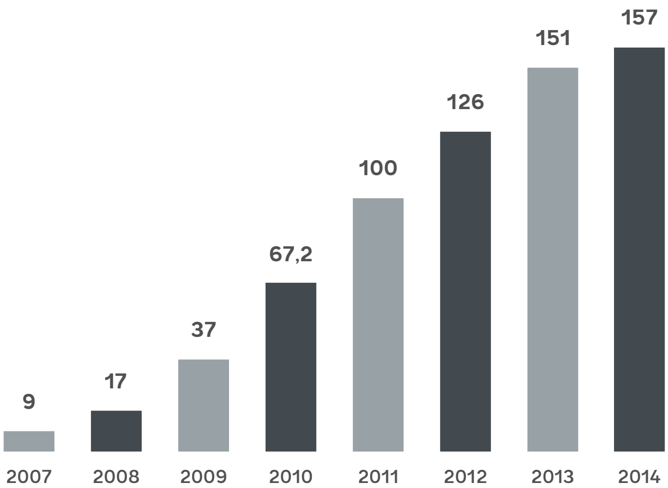
10,400

**EMPLOYEES**
(8,200 FTE)

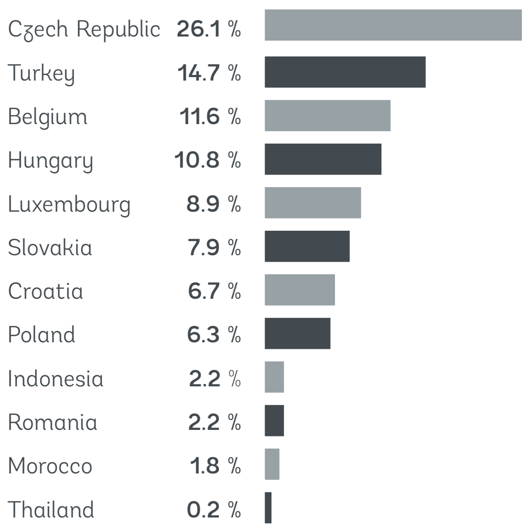
€157 million

**IN REVENUE**

International revenue (in millions of euros)

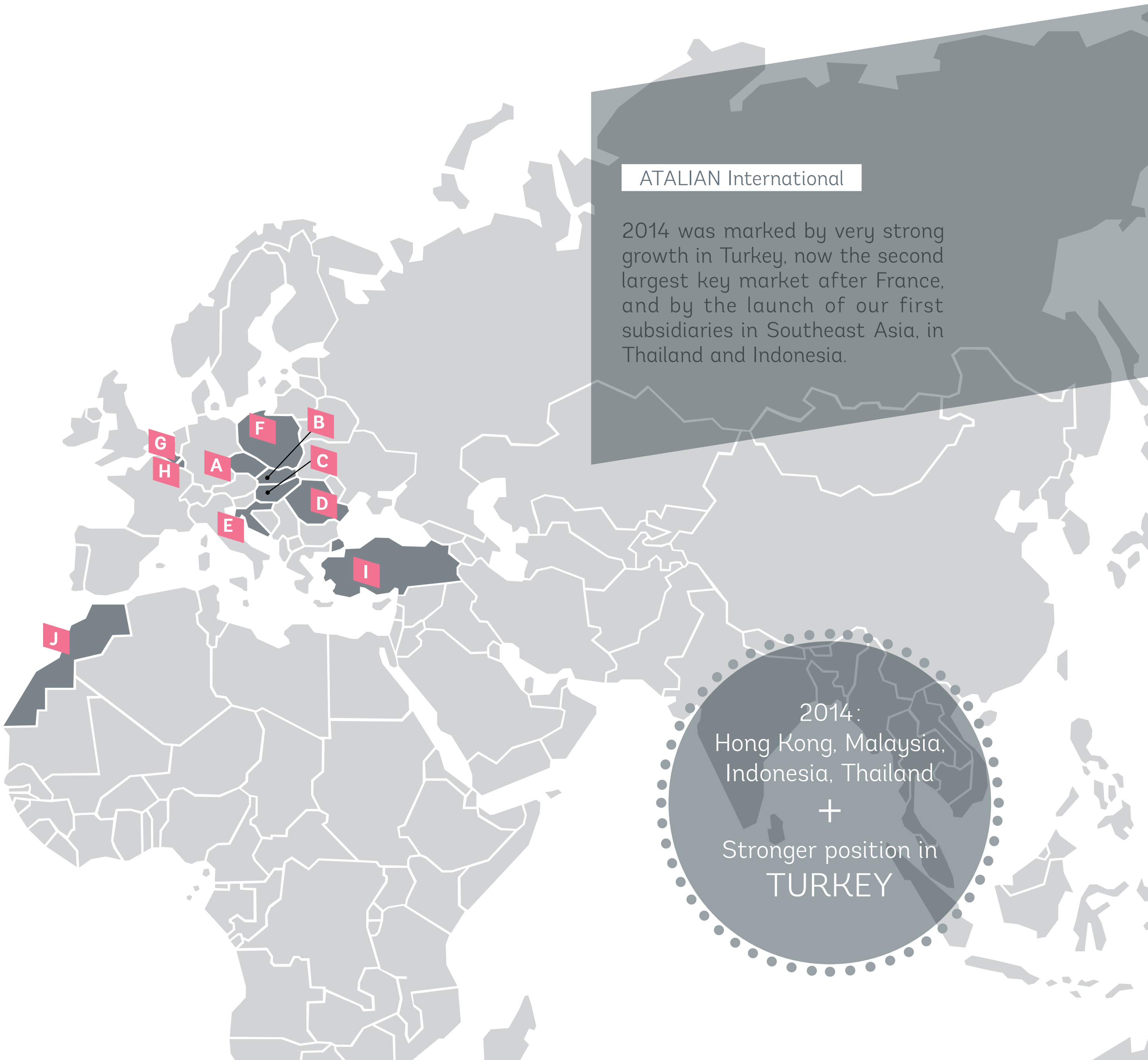



Breakdown of international revenue by country



## ATALIAN International

2014 was marked by very strong growth in Turkey, now the second largest key market after France, and by the launch of our first subsidiaries in Southeast Asia, in Thailand and Indonesia.




**A Czech Republic**
Annual revenue: €41 million
Headcount: 3,250

**B Slovakia**
Annual revenue: €12,5 million
Headcount: 600

**C Hungary**
Annual revenue: €17 million
Headcount: 3,000

**D Romania**
Annual revenue: €3,5 million
Headcount: 200

**E Croatia**
Annual revenue: €10,5 million
Headcount: 500

**F Poland**
Annual revenue: €10 million
Headcount: 500

**G Belgium**
Annual revenue: €18 million
Headcount: 500

**H Luxembourg**
Annual revenue: €14 million
Headcount: 350

**I Turkey**
Annual revenue: €23 million
Headcount: 1,200

**J Morocco**
Annual revenue: €3 million
Headcount: 300

**Asia: Indonesia and Thailand**
Annual revenue: €4 million
Headcount: 300

# INTERNATIONAL OPERATIONS, A MAJOR GROWTH AREA

WITH MATTHIEU DE BAYNAST

CHAIRMAN OF ATALIAN INTERNATIONAL

### WHAT DOES THE BUSINESS OF ATALIAN INTERNATIONAL ENTAIL?

Our business, which includes facility management, cleaning, safety, technical maintenance, energy saving and sanitation, is carried out by fifteen subsidiaries based abroad. All associated management, monitoring and development responsibilities are carried out by a dedicated team.

### WHAT ARE THE MAIN PILLARS OF YOUR INTERNATIONAL STRATEGY?

Our ambition is to become a global leader on the facility management market. Our goal is therefore to expand into two to three new countries per year, so as to establish our presence and achieve critical mass in around forty emerging or high-growth countries. That's why we began to step up our international growth policy in 2014.

### WHAT KEY EVENTS OCCURRED IN THIS AREA IN 2014?

The year was marked by very strong growth in Turkey, which is now the Group's second largest market after France. We also expanded into Morocco, which we'll use as a strategic platform to conquer North Africa. We set up regional headquarters in Kuala Lumpur, Malaysia, and expanded into new countries in Southeast Asia, including Thailand and Indonesia, thereby launching the first wave of our growth in Asia. We are also starting to identify targets in Vietnam, Cambodia, Laos, Burma and Bangladesh.
We have reinforced ATALIAN International's senior management and renewed contracts with our two biggest customers, which operate in six countries, thus ensuring a solid base for the coming years.

### WHAT ARE YOUR DIFFERENTIATING PLUS POINTS?

In each country where we operate, our customers expect innovative, competitive solutions. Their vision of procurement has become more professional and increasingly complex. Our use of an integrated business model is one of our biggest strengths and allows us to not only build customer loyalty but also win over new customers. Our geographic coverage is attracting more and more regional customers operating in several different countries, because it allows them to centralise their purchases and benefit from a standardised level of service.

**YOU JOINED THE UNITED FACILITY SOLUTION ALLIANCE IN 2013. HOW WOULD YOU ASSESS THIS PARTNERSHIP?**

This first year has given us a better understanding of the market and helped us successfully position our company in two main segments: first, major pan-European contracts with Hewlett Packard, Heineken and Procter & Gamble, and second, national customers who are interested in suppliers operating in one or more countries, but who don't initiate pan-European tenders. In this segment, know-how sharing among Alliance members is perceived as a real asset by our customers and has led to important contracts with Stanley, Europack, Desigual and PSA. Over 30 Requests for Information (preliminary phase of a tender process) and Requests for Quotation are underway. So the outcome has been very positive.

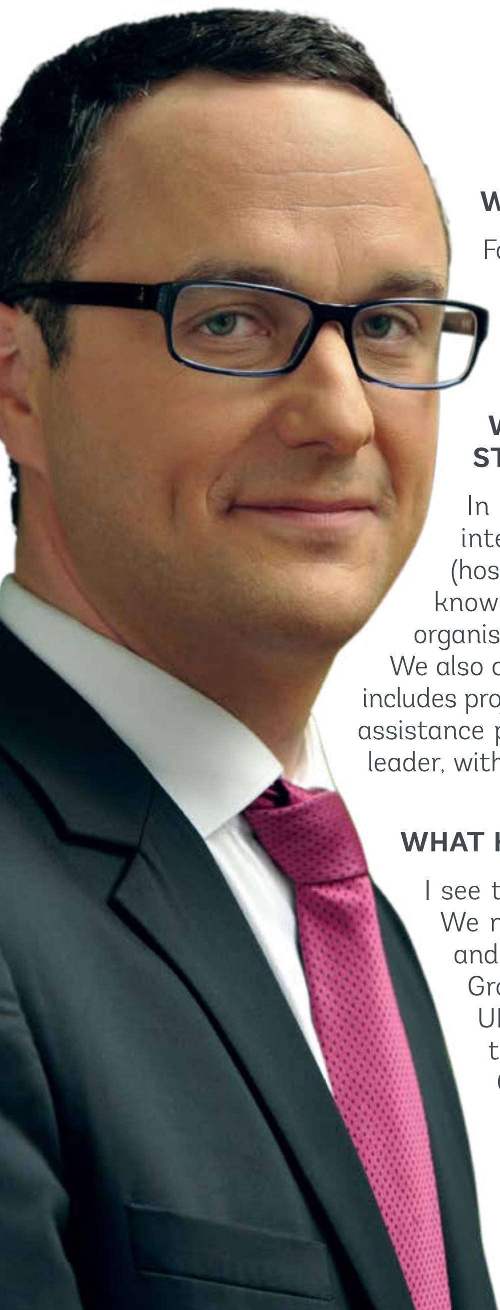
**WHAT WILL BE YOUR MAIN CHALLENGES IN 2015?**

To expand into at least three countries on one of the three continents (Africa, Europe and Southeast Asia). But also to consolidate our positions in Poland, Turkey and Croatia, where acquisitions in progress should enable us to become the leader. We also want to improve the procurement process across our subsidiaries and develop ATALIAN Energy Solutions. Our target for the next financial year is to generate €300 million in revenue and, within the next four years, achieve €500 million in revenue from our international operations.

# BECOMING THE LEADER IN FACILITY MANAGEMENT

WITH MATTHIEU DE BAYNAST

CHAIRMAN OF ATALIAN INTERNATIONAL



### WHAT DOES ATALIAN'S FACILITY MANAGEMENT BUSINESS ENTAIL?

Facility management comprises multi-technical "hard" FM, which includes highly technical services such as building and office maintenance and support services, and multi-service "soft" FM, which includes cleaning, reception, mail, safety, catering and landscape maintenance services.

### WHAT ARE THE MAIN PILLARS OF YOUR FACILITY MANAGEMENT STRATEGY?

In our four major target areas – large-scale tertiary (real estate and major international end users), industry (agribusiness and technology), health care (hospitals and clinics) and pan-European players – our priority is to consolidate our know-how and "single-business" expertise through integrated, customer-oriented organisations where the customer benefits from a single, dedicated contact person. We also offer a full selection of à la carte services going all the way to "total FM," which includes project steering and management, improvement plans, risk transfer and employee assistance programmes. Lastly, our ambition is to become Europe's facility management leader, with integrated businesses on our target markets.

### WHAT KEY EVENTS MARKED FACILITY MANAGEMENT IN 2014?

I see two, the first being the finalisation of our new subsidiary ATALIAN Facilities. We now have a dedicated team in place for sales and marketing, management and technical skills (e.g. preparation of tenders). This team works closely with all Group divisions, in France and abroad, and has become our point of contact for UFS - United Facility Solutions. Another highlight this year was being awarded the total FM contract by Air France for its headquarters at Roissy Charles de Gaulle airport.

**OUR AMBITION IS TO BECOME A GLOBAL LEADER ON THE FACILITY MANAGEMENT MARKET**

### WHAT ARE YOUR DIFFERENTIATING PLUS POINTS?

Our business model is based on four main pillars. First, the due diligence phase, during which we help our customers define their goals, such as reducing fixed costs, improving the quality of occupant services, ongoing improvement plans and employee assistance programmes. Second, the definition of clear and scalable contract engineering, with service levels and key performance indicators. Third, the rollout of an organisation dedicated to our customers, with a self-delivery rate of over 90%. And fourth, energy management performed by our specialised subsidiary Ergelis. The experience and leadership of our business subsidiaries, backed by an independent management structure, guarantee a high level of expertise to our customers under the best possible financial terms. This is the overall aim of the "multi-business" approach the ATALIAN Group has been developing for over ten years.

### HOW WILL UFS, THE NEW EUROPEAN ALLIANCE, BENEFIT YOUR CUSTOMERS?

Because it comprises five major facility management organisations operating in key European countries, UFS - United Facility Solutions - meets the "think global, act local" expectations of our pan-European customers.
Our network of business agencies, the standardisation of our information systems and the centralised management of key accounts means UFS - United Facility Solutions - can offer new opportunities to our customers both in France and Europe.

### WHAT WILL BE YOUR MAIN CHALLENGES IN 2015?

Our main goal will be to increase the number of contracts for projects in France or more substantial projects with UFS - United Facility Solutions. They will all be managed by the new ATALIAN Facilities entity. We're targeting around ten large-scale projects, whether originating from our current network of divisions, from a direct approach aimed at new customers or from the Alliance.

## ATALIAN IS MADE UP OF EIGHT DIFFERENT BUSINESSES

which make it possible to outsource the bulk of management duties for support functions such as cleaning, multi-technical and facility management, reception, airport services, safety, landscaping, construction and transportation. The Group provides over 85% of the support services required by companies and local authorities.

# 3 BUSINESSES

# CLEANING & ASSOCIATED SERVICES

## INTERVIEW WITH PIERRE VACHERON

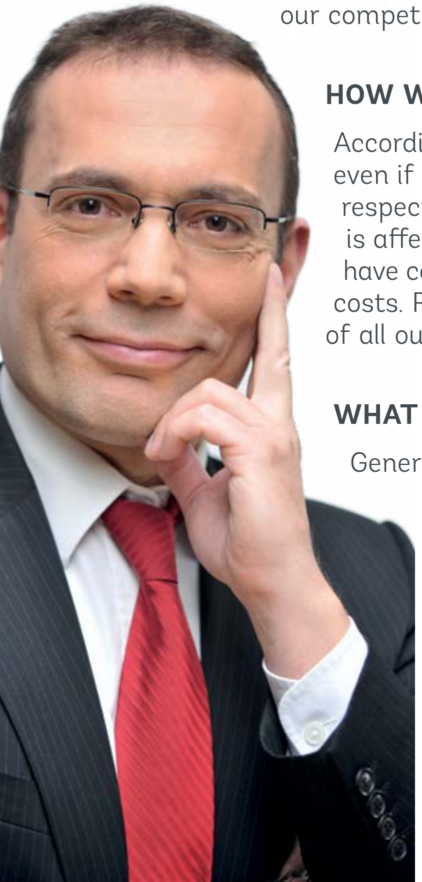
CHAIRMAN OF CLEANING & ASSOCIATED SERVICES

### WHAT DOES THE CLEANING BUSINESS ENTAIL?

Our Cleaning Division has three types of activities. First, traditional cleaning, which accounts for 70 to 80% of the work carried out by cleaning companies and includes cleaning in the tertiary sector, industry, production facilities and supermarkets. Second, specialised cleaning, which covers 20% of cleaning services, and consists of operations in "hygiene-sensitive" environments such as restaurants and catering, health care, agribusiness, pharmaceutics, electronics, nuclear energy and public transport (buses, airports and railway stations). The third type of activity concerns associated services, such as pest control, mail management, light maintenance and logistics.

### WHAT ARE YOUR OBJECTIVES AND MAIN STRATEGIC AREAS?

We want to stay in the lead and secure our customer portfolio while continuing to provide quality service. The needs and expectations of our customers are constantly changing so we have to be proactive in terms of corporate social responsibility. This includes qualifying and training agents (the cleaning sector recruits 15,000 people a year), developing an industrial risk prevention policy and taking into account the environmental impact of work carried out on our customers' premises, all of which require different approaches. Innovation is also on our agenda, with the creation of a technological monitoring unit, which will help us stand out from our competitors.



### HOW WOULD YOU DESCRIBE 2014?

According to the economic analysts, the beginning of the year was slightly more positive even if profit margins have dropped considerably over the last few years, particularly with respect to public procurement where prices continue to drop. The tough economic climate is affecting not just the cleaning sector but our customers as well. In terms of results, we have continued to rationalise our customer portfolio and reduce costs, especially purchasing costs. Results have lived up to expectations, particularly thanks to the daily commitment of all our employees.

### WHAT ARE YOUR MAIN CHALLENGES FOR 2015 AND BEYOND?

Generally speaking, we are still seeing growth, even if it is not as fast as it was in the past. We are maintaining and developing our market shares, particularly in the health care and industrial sectors. As a result, we are strengthening our position in aeronautics and regaining ground in hospitals. Also, our United Facility Solutions alliance means that we can extend our offering to major European accounts and actively participate in large-scale multi-service offerings.

We also intend to pursue our acquisition policy, with the twofold objective of extending the existing network and widening our customer base to include promising market sectors or sectors where our market share seems insufficient.

## Breakdown of revenue by activity

| | |
|---|---|
| Tertiary | 34% |
| Networks & Transportation | 18% |
| State & Local authorities | 12% |
| Industry | 12% |
| Retail & Distribution | 9% |
| Health care | 6% |
| Real estate | 5% |
| Agribusiness | 4% |

## 2014 key figures

€697 million

**IN REVENUE**

18,500

**EMPLOYEES**

2ND LARGEST COMPANY

**IN FRANCE**

## CUSTOMER REFERENCES

### Agribusiness

- SOCOPA
- LABEYRIE
- DAVIGEL
- ENTRACTE (LDC)

### Pharmaceutical, Cosmetics and Ultra-clean industries

- APTAR PHARMA
- GALDERMA
- ST MICROELECTRONICS
- STALLERGÈNES
- ASTRIUM
- DIOR
- SERVIER

### Tertiary

- BNP PARIBAS
- CRÉDIT AGRICOLE
- ERNST & YOUNG
- FRENCH MINISTRY OF FINANCE AND PUBLIC ACCOUNTS

### Hospitals

- PERCY MILITARY HOSPITAL
- INSTITUT CURIE
- PARIS PUBLIC HOSPITAL SYSTEM (APHP)
- VAL DE GRÂCE MILITARY HOSPITAL
- HOPITAL SAINT-LOUIS

### Large retail

- CARREFOUR
- AUCHAN
- GALERIES LAFAYETTE

### Industry

- LAFARGE
- CALCIA
- AIRBUS
- GEFCO
- HUNTSMAN TIOXIDE

# MULTI-TECHNICAL & MULTI-SERVICE

## INTERVIEW WITH ANTOINE TERZIKHAN

CHAIRMAN OF MTO-EUROGEM

### WHAT DOES THE MULTI-TECHNICAL AND MULTI-SERVICE BUSINESS ENTAIL?

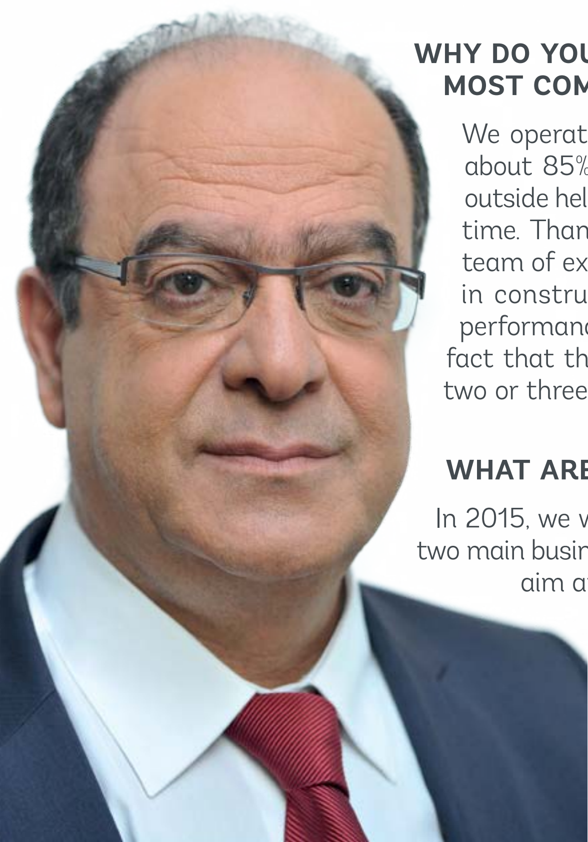
MTO-Eurogem is in charge of the company's multi-technical and general management services. These include energy and fluid management, facility maintenance and property management which generally represent the largest share of the facility management market, while multi-service management addresses areas such as occupant services, security and the environment.

### WHAT ARE YOUR OBJECTIVES AND MAIN STRATEGIC AREAS?

Our main objective is to meet the needs of owners and their representatives and thus ensure that their assets are fully protected, while fulfilling their regulatory obligations, particularly in terms of security. This concerns all sectors - tertiary, industrial and business - and all customers, both private and public. Another strategic area is our ongoing concern with reducing non-core operating costs and the corresponding need to find new ways of optimising operating and maintenance costs (energy, environment, etc.). Our final objective is to reinforce the contribution made by facility management in the technical and service sectors, where cross-selling is a natural fit, through the addition of complementary services with optimal proactive management.

### HOW WOULD YOU DESCRIBE 2014?

2014 has been marked by several flagship facility management contracts including Air France's head office and Unibail Rodamco's Majunga Tower. In 2014, we strongly defended our portfolio with the renewal of several excellent operating contracts.



### WHY DO YOU THINK THAT MTO-EUROGEM IS OFTEN ALLOCATED THE MOST COMPLEX SITES?

We operate in a very broad sector, with integrated staff who can take charge of about 85% of the production and technical construction of an asset without any outside help. This capacity to deliver with our own teams results in quick turnaround time. Thanks to a strong technical management team combined with a start-up team of experienced site managers, MTO-Eurogem has gained recognised expertise in construction start-up and commissioning which guarantees the successful performance of contracts throughout their life cycle. This is demonstrated by the fact that the average life cycle of a managed contract is about eight years, that is, two or three times the initial term.

### WHAT ARE YOUR MAIN CHALLENGES FOR 2015 AND BEYOND?

In 2015, we will be actively defending our portfolio, particularly at Eurogem where the two main business parks will be in competition once again. In the longer term, we need to aim at greater integration into ATALIAN's larger facility management projects.

**THIS CAPACITY TO DELIVER WITH OUR OWN TEAMS RESULTS IN QUICK TURNAROUND TIME**

2014 key figures

€194 million
**IN REVENUE**

1,600
**EMPLOYEES**

## CUSTOMER REFERENCES

Customer references

- 3M
- AIR FRANCE
- ASTRAZENECA
- AXA
- BRISTOL MYERS SQUIBB
- BNP PARIBAS
- BULL
- COFINOGA
- SAFRAN
- BOUCHES-DU-RHÔNE REGIONAL COUNCIL
- DANISCO
- ORANGE
- GROUPE GALERIES LAFAYETTE
- HÔTEL HILTON
- ICADE
- LA POSTE
- MBDA EADS
- MERCK
- NATIXIS
- OCDE
- UGAP
- BPCE
- CCIP

Long-term agreements

- LABORIT HOSPITAL COMPLEX
- LAVAL HOSPITAL COMPLEX
- SAINT-NAZAIRE HOSPITAL COMPLEX
- QUINZE VINGTS NATIONAL OPHTHALMOLOGICAL HOSPITAL COMPLEX
- RENÉ DUBOS PONTOISE HOSPITAL COMPLEX
- MEAUX POLICE STATION
- MINISTRY OF FOREIGN AFFAIRS – DIPLOMATIC DIVISION

# SAFETY & SECURITY

## INTERVIEW WITH RICHARD TRANCHE

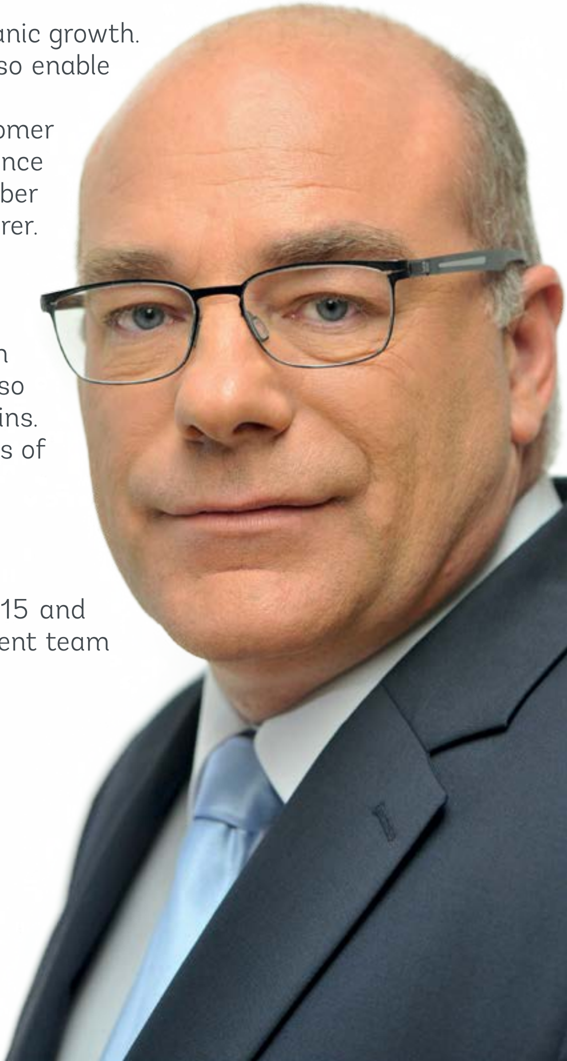
CHAIRMAN OF ATALIAN SÉCURITÉ

### WHAT DOES ATALIAN'S SAFETY, SECURITY AND SURVEILLANCE ACTIVITY ENCOMPASS?

Our division's activities include in-company access control and screening, management of central security stations, event-related security services, security on critical sites, patrol and emergency services, audits and consultancy. Under the Lancry brand, our safety and security services have long been synonymous with quality and trust.

### WHAT ARE YOUR OBJECTIVES AND MAIN STRATEGIC AREAS?

We want to strengthen our sales teams so that we can expand through organic growth. The arrival of Noël Corbel as operating manager for the provinces should also enable us to provide even better quality service and boost our sales figures.
Another aim is to invest in better management tools that will enhance customer relationships. We are also setting up permanent monitoring of videosurveillance products in order to make recommendations to our customers in terms of cyber guarding. And, lastly, we will be forming a partnership with a drone manufacturer.



### HOW WOULD YOU DESCRIBE 2014?

Like Lancry, private security in France experienced only very slight growth of 1.8%. This is one of the worst scores since World War II! Our sector is also exposed to a continuous price war which has caused a drop in gross margins. In this difficult context, Lancry still remains at the top of the sector in terms of company earnings, despite stagnant growth.

### WHAT ARE YOUR CHALLENGES?

For Lancry, we are aiming at a sales figure of €140.7 million for 2014-2015 and company earnings of €11.9 million. For APFS, the new operational management team will help us to gain market shares in the airport security sector.

**IN THIS DIFFICULT CONTEXT, LANCRY STILL REMAINS AT THE TOP OF THE SECTOR IN TERMS OF COMPANY EARNINGS, DESPITE STAGNANT GROWTH**

2014 key figures

€134 million

**IN REVENUE**

4,200

**EMPLOYEES**

## CUSTOMER REFERENCES

### Administrative sites/ Registered offices

- CARREFOUR
- CBRE
- GAÏA

### Services

- ACCOR
- LA POSTE
- ORANGE
- PARIS-SAINT-GERMAIN
- UBIFRANCE

### Public Procurement

- CPAM
- CITÉ ADMINISTRATIVE DE BORDEAUX
- UGAP
- FRENCH GENERAL DIRECTORATE FOR ARMAMENT
- LENS HOSPITAL

### Pharmaceutical Companies

- FAREVA
- ALTIS SEMICONDUCTOR
- SANOFI-AVENTIS
- BOEHRINGER

### Transportation

- SNCF
- RTE
- HERTZ
- TOULOUSE AIRPORT
- AIR FRANCE
- TCAR

### Retail

- CARREFOUR
- BOULANGER
- MONOPRIX
- CONFORAMA
- LEROY MERLIN
- SYSTÈME U
- GROUPE GALERIES LAFAYETTE
- PRINTEMPS

### Banks & Insurance

- BNP PARIBAS
- LA MONDIALE
- HENNER
- NATIXIS
- BPCE

### Industrial sites

- SAFRAN
- E.ON FRANCE
- FERRERO
- LESIEUR
- PANZANI
- PSA
- TOTAL
- LAFARGE CIMENTS
- BOSCH
- SCHLUMBERGER
- EDF

# RECEPTION

## INTERVIEW WITH SOPHIE PÉCRIAUX-JULIEN

CHAIRWOMAN OF CITY ONE

### WHAT RECEPTION SERVICES DO YOU PROVIDE THROUGH YOUR PARTNERSHIP WITH ATALIAN?

In 2007, ATALIAN and City One, an independent group and key player in the reception industry, joined forces through an exclusive partnership that has led to powerful synergies between the two entities. More specifically, we help ATALIAN FM meet call handling and in-person reception needs when the company is facing high customer demand in Global Services. For example, the Air France contract recently awarded to ATALIAN gives us the opportunity to be the sole provider of reception services for the airline's headquarters.

### WHAT ARE YOUR TARGETS AND STRATEGIC PRIORITIES?

City One's biggest strength compared to its competitors is the fact that it has diversified its business lines and acquired the reception-related and technical expertise needed to offer viable, long-term solutions to its customers. Today we can provide a full range of services, from event-related to in-company front of house services to cultural event host staffing, whether for the prestigious Pleyel concert hall or the recently inaugurated Philarmonie de Paris. We also made our foray into the railway sector by creating the City Junior service for SNCF, France's national railway company. This service provides accompaniment for children aged 4 to 14 who are travelling alone. Together with the Air France subsidiary Servair, we devised a concept for providing reception services in the business lounges of Roissy Charles de Gaulle and Orly airports.
Today, City One's main strategic priority is to expand into B2C. We signed a contract with the Paris airport authority to provide personalised reception services, meaning a company can ask us to accompany its customers or take care of a passenger or group of passengers during arrival, departure or connection to another plane. If necessary, we can reserve a transfer vehicle. As another example of B2C, we created a common subsidiary with Eiffage to supervise and manage the renovation of the 10,000 square-metre rooftop of Grande Arche monument in the La Défense business district. Our mission will include the management of public areas as well as catering and restaurant services.

### HOW WOULD YOU DESCRIBE 2014?

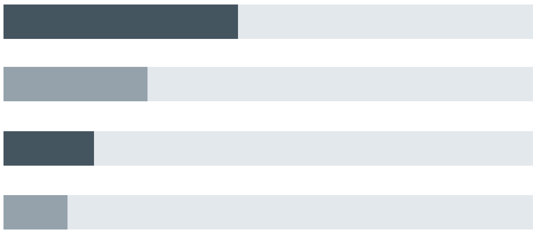
It was a very good year, which culminated in winning the CSR Performance Award from Women Equity for Growth. A party to the UN Global Compact since 2014 and the French Diversity Charter (Charte de la Diversité) since 2006, we are staunch promoters of diversity and equality, which is why we are reinforcing our company values more than ever, for instance by hiring and training both young recruits and senior workers. Moreover, men make up 40% of City One's workforce, which is quite extraordinary in a sector that was originally female-dominant. Lastly, in 2014 we received the EcoVadis bronze medal, missing the silver medal by only one point!

### WHAT WILL BE YOUR MAIN CHALLENGES IN 2015 AND BEYOND?

Following our 20% growth rate in 2014, we will obviously strive to stay in the double digits. We are also hoping to make our diversification into B2C a success and are stepping up the employment of temporary workers and training at our training centre, Escales de France.

## Breakdown of revenue by activity

| | |
|---|---|
| Reception | 44% |
| Passenger services | 27% |
| Field marketing | 17% |
| Events | 12% |



## 2014 key figures

**€142 million**

**IN REVENUE**

**24 years**

**OF EXPERIENCE**

**3,700**

**EMPLOYEES**

**2nd LARGEST COMPANY**

**IN FRANCE**

## CUSTOMER REFERENCES

### Event-related services

- RENNES MÉTROPOLE
- LA CINÉMATHÈQUE FRANÇAISE
- PHILARMONIE DE PARIS
- STADE DE FRANCE
- LE PRINTEMPS
- ROLAND GARROS
- MICROSOFT

### Passenger services

- ADP
- ACNA
- AIR FRANCE
- AIR CANADA
- SERVAIR
- SNCF

### In-company front of house services

- L'ORÉAL
- PERNOD RICARD
- NOKIA
- NRJ
- DANONE

### Field marketing

- DASSAULT
- BANQUE LAZARD
- ESSILOR
- LE MONDE
- UBS
- AMERICAN EXPRESS
- PARIS AIRPORT
- HYATT

# CONSTRUCTION & FINISHING

## INTERVIEW WITH SERGE VIVIER

CHAIRMAN OF ATALIAN CONSTRUCTION AND FINISHING

### WHAT DOES YOUR CONSTRUCTION AND FINISHING ACTIVITY ENCOMPASS?

Our activity consists of non-structural work contracts in our specialty fields. The four companies in the division group together several activities that total €19 million in revenue, including €10 million for indoor paint, €3.5 million for hardwood floors and soft floor coverings, €4 million for roofing and €1.5 million for building renovation and maintenance. 80% of our work concerns new construction projects, followed by renovation and maintenance. More than 70% of our activity is in the new private or low-income housing sector, with the remainder going to student and senior accommodation. Our territory concerns Greater Paris only.

### WHAT ARE YOUR OBJECTIVES AND MAIN STRATEGIC AREAS?

Our aim is to encourage intra-division and intra-group synergy and to pool our business sectors in the interests of our customers. We would also like to diversify our core businesses in adjacent areas such as façade renovation with the aim of strengthening our position in non-structural work and providing a broader range of services and skills. This strategy would help to make up for disparities in revenue in our different business sectors and adapt to economic fluctuations.

### HOW WOULD YOU DESCRIBE 2014?

The year has been marked by difficulties in obtaining orders due to a lower number of new projects. For example, out of the 500,000 new low-income housing units announced by the government, only 300,000 have actually been built. Planning permission applications dropped by 25% in one year. However, our position and our reputation on the market have enabled us to respond to numerous calls for tender.

### WHAT ARE THE PLUS POINTS THAT HAVE ENABLED YOU TO WIN NEW CUSTOMERS EACH YEAR AND ENCOURAGE THEM TO INCREASE BUSINESS WITH YOU?

Our reputation and customer satisfaction are our greatest assets and the best ingredients for developing lasting business relations. Another plus point is our division's capacity to combine several business sectors, which has the advantage of offering our customers different formulae and services adapted to a wide variety of needs. But we also need to find a new financial balance because our customers are gradually reducing their budgets and basing their choice more and more often on mainly financial criteria.

### WHAT ARE YOUR SHORT- AND LONG-TERM CHALLENGES?

Our main challenge is to maintain the business volumes and the financial results of our division, despite the sluggish economic climate. We need to be out there, in good form, as soon as the economy starts to pick up, in order to conquer new markets, consolidate our position and achieve a high level of profitability.

**“OUR REPUTATION AND CUSTOMER SATISFACTION ARE OUR GREATEST ASSETS”**

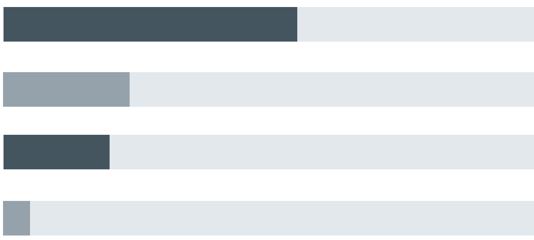
2014 key figures

€19 million
**IN REVENUE**

200
**EMPLOYEES**

Breakdown of revenue by activity

| | |
|---|---|
| Indoor paint | 52 % |
| Floor coverings | 22 % |
| Hardwood floors | 18 % |
| Renovation and maintenance | 8 % |



### CUSTOMER REFERENCES

- LE PETIT PALAIS
- MUSÉE GRÉVIN
- ÉCOLE BOULLE
- BOUYGUES BÂTIMENT
- KAUFMAN & BROAD
- EIFFAGE CONSTRUCTION
- VINCI
- BNP PARIBAS IMMOBILIER
- NEXITY
- CRÉDIT AGRICOLE IMMOBILIER
- SOGEPROM
- ALTAREA COGEDIM

# LANDSCAPING

## THIERRY BRÉMENT

CHAIRMAN OF ATALIAN ESPACES VERTS

### WHAT DOES THE LANDSCAPING BUSINESS ENTAIL?

Landscaping consists of two main aspects: maintenance of gardens and sports fields and creation of new gardens and sports fields, where new works account for 58% and maintenance for 42%.

### WHAT ARE YOUR OBJECTIVES AND MAIN STRATEGIC AREAS?

We mostly want to maintain and develop our maintenance activity with the creation of new sectors, particularly in the north of France, where we've created one in Valenciennes and another in Calais.

### HOW WOULD YOU DESCRIBE 2014?

Business was brisk, with an 8% increase in revenue, totalling €67 million. Maintenance accounted for more than 40% of revenue and good weather conditions contributed to the overall score. Another source of satisfaction was the stable volume of business - €250 million - and a final contract award rate of 21%.

### HOW IS THE ADDED VALUE CREATED FOR YOUR CUSTOMERS A PLUS POINT IN YOUR SEGMENT WITH RESPECT TO COMPETITORS?

We have several factors in our favour: the quality of our work, fulfilment of our commitments and the brand image of our landscaping division in addition to our technical value and reduction of down time thanks to the division's synergy.

### WHAT ARE YOUR MAIN CHALLENGES FOR 2015 AND BEYOND?

At present, local authorities are our main source of clientele. In the medium term we would like to diversify our client base to include private enterprise. We also intend to concentrate on developing our sports field business, drawing on our network of building contractors and landscapers, especially in the Greater Paris area. Lastly we will focus on expanding the private segment in France. For example, our landscape creation and development activity should appeal to leading manufacturers who would like to landscape their own grounds.

2014 key figures

**€67 million**

**IN REVENUE**

**600**

**EMPLOYEES**

### CUSTOMER REFERENCES

- DOMONT
- GARGENVILLE
- SARCELLES
- SAINT-QUENTIN-EN-YVELINES
- CERGY-PONTOISE

# AIRPORT SERVICES

€90 million

**IN REVENUE FROM ALL GROUP BUSINESSES COMBINED.**

# TRANSPORTATION & LOGISTICS

2014 key figures

€21 million

**IN REVENUE**

100

**EMPLOYEES**

50,000 M²

**OF WAREHOUSE STORAGE**

**IN 2014,**
THE GROUP CARRIED OUT ITS PLANNED PROJECTS AND ACTIONS, OBTAINING CERTIFICATIONS, FULFILLING COMMITMENTS AND ACHIEVING GOALS

# 4 A SENSE OF RESPONSIBILITY

# QUALITY, SAFETY & THE ENVIRONMENT

## INTERVIEW DE TAYEB BELDJOUDI

QSE DIRECTOR, ATALIAN GROUP

### WHAT ARE THE MAIN PRIORITIES AND COMMITMENTS OF YOUR QSE STRATEGY?

For several years now, our priorities have been the health and safety of our employees, customer satisfaction and environmental protection. Our QSE policy is the backbone of all of our business processes. It not only ensures cohesion between our different business divisions, but also reinforces the reputation of our management systems internationally. Today we are striving to provide our customers with increasingly innovative and effective solutions, to be more proactive in anticipating regulatory changes affecting occupational safety and to position ourselves as a socially responsible partner.

### WHAT ARE YOUR TOP TWO OR THREE MAJOR PROJECTS AT THE MOMENT?

Our QSE management systems have changed significantly these past few years, in particular because we have incorporated the concept of risk analysis into our processes, in complete accordance with the 2015 ISO 9001 standard. Now we must consolidate our business processes across the Group to increase their efficiency and sustainability, so we can meet our goals and fulfil our commitments. We are also going to reinforce our occupational health and safety management systems through the progressive rollout of the OHSAS 18001 international standard across all business divisions. Lastly, as part of our sustainable development strategy, we plan to consolidate and increase joint reflection on common concerns with our customers.

### WHAT MAJOR STEPS WERE MADE TOWARD THE REALISATION OF THESE PROJECTS IN 2014?

All projects launched in 2014 were successful and brought positive results. We renewed our audit-based accreditations in France and abroad, with full compliance. In June 2014, our cleaning division obtained OHSAS 18001 certification at national level for all of its cleaning services – a first in our professional environment. This is reflected in TFN Propreté's organised global management system – which is based on common, harmonised practices implemented by each business division – and in the company culture and strategy currently being developed with special emphasis on health and safety. The implementation of QSE processes by ATALIAN Facilities also means efficient coordination of all of our business divisions for the benefit of our facility management customers.

**“ALL PROJECTS LAUNCHED IN 2014 WERE SUCCESSFUL AND BROUGHT POSITIVE RESULTS”**

### WHERE DO THINGS STAND, THREE YEARS AFTER SIGNING THE QSE CHARTER? ARE THE EIGHT BUSINESS LINES FULLY ON BOARD?

Absolutely! Commitments have been fulfilled and targets met, as shown by the successful creation of ATALIAN Facilities and the rise in market share. Thanks to a QSE management policy that is fully in line with Group strategy, we are 100% in sync with our customers' needs.

### WHAT WILL BE YOUR MAIN CHALLENGES IN THE SHORT- AND MEDIUM-TERM?

Obtaining OHSAS 18001 certification for our occupational health and safety management system, for both Lancry and the Group's safety and security division. Another challenge will be to reinforce our position as a recognised socially responsible company through a new assessment of our sustainable development actions and practices by EcoVadis, of which we are a premium member. One of our longer-term goals is to obtain ISO 9001 certification for ATALIAN Facilities and ISO 26000 evaluation for specific divisions of ATALIAN.

# ENVIRONMENT / SUSTAINABLE DEVELOPMENT

In 2014, ATALIAN began implementing actions and projects planned during previous years, such as increasing team accountability, building environmental protection awareness and reducing the company's ecological footprint.

ATALIAN is developing its ISO 14001 certification process for services provided on customer premises, through on-site audits. We have plenty of room for manoeuvre in this area, so we're talking about pragmatic, on-the-ground certification. At the request of our customers, the ISO panel has been expanded to include suppliers operating on customer premises.

ATALIAN is thereby reinforcing its participative approach to environmental protection with its customers, in complete accordance with its carbon footprint. Concretely, this means we are striving to build the awareness of teams in the field, making them more accountable for reducing ATALIAN's impact on the environment, whether delivering cleaning, technical or caretaking services. The challenge is to maintain a consistent approach that is still meaningful for our agents, including reducing water and energy consumption, providing training courses in eco-driving and car maintenance and using EU Ecolabel products.

## LIFECYCLE ANALYSIS

Another major, innovative project for ATALIAN is the launch of service lifecycle analysis. Currently financed for the 2015-2016 period (with support from INHNI [French national institute of hygiene and industrial cleaning] and the French federation of cleaning companies), this project will involve assessing all material and equipment used when providing a service, from beginning to end. It will also determine the level of recyclability of each material used, throughout its entire lifecycle. Very few companies offer such an innovative approach. By doing so, ATALIAN will add a proactive dimension to its product and equipment procurement processes. This project, which is part of the management revamp required for ISO 14001 compliance, will raise ATALIAN to a new level of excellence.

## MEASURING OUR CARBON FOOTPRINT

To assess its greenhouse gas emissions, ATALIAN has set up a carbon calculator. The goal is to measure how our carbon footprint affects customers, based on the services we provide. Depending on the results obtained, ATALIAN may define an action plan with the customer to reduce this footprint. Tried and tested by ADP, the Paris airport authority, this method has proven its worth and helped ATALIAN win the sustainable development award for non-ADP companies in 2014. Today, ATALIAN proudly publicises its RSE profile – its carbon footprint in particular – to customers.

*Institut National Hygiène Nettoyage Industrie

2014 key figures

# 30-35 %

## OF THE PRODUCTS USED IN OUR CLEANING BUSINESSES ARE ECO-FRIENDLY

# 100 %

## SUCCESS RATE IN OBTAINING ISO 14001 ENVIRONMENTAL CERTIFICATIONS

### CLEANING & ASSOCIATED SERVICES

· ISO 9001
· OHSAS 18001
· ISO 14001
· M.A.S.E. (safety improvement manual)
· CERTIPHYTO
· ACTIVITÉS 3D

### TRANSPORTATION

· ISO 9001
· Ecocert

### RECEPTION

· NF SERVICE

### SAFETY

· ISO 9001
· MASE (Manuel d'Amélioration Sécurité)

### TECHNICAL & CONSTRUCTION SERVICES

· QUALIBAT
· QUALIFELEC
· MASE 9001, version 2008
· EXPLOITATION DE BÂTIMENTS HQ

### LANDSCAPING

· ISO 9001 version 2008
· QUALIPAYSAGE
· QUALISPORT
· QUALIGOLF
· MASE
· CERTIPHYTO

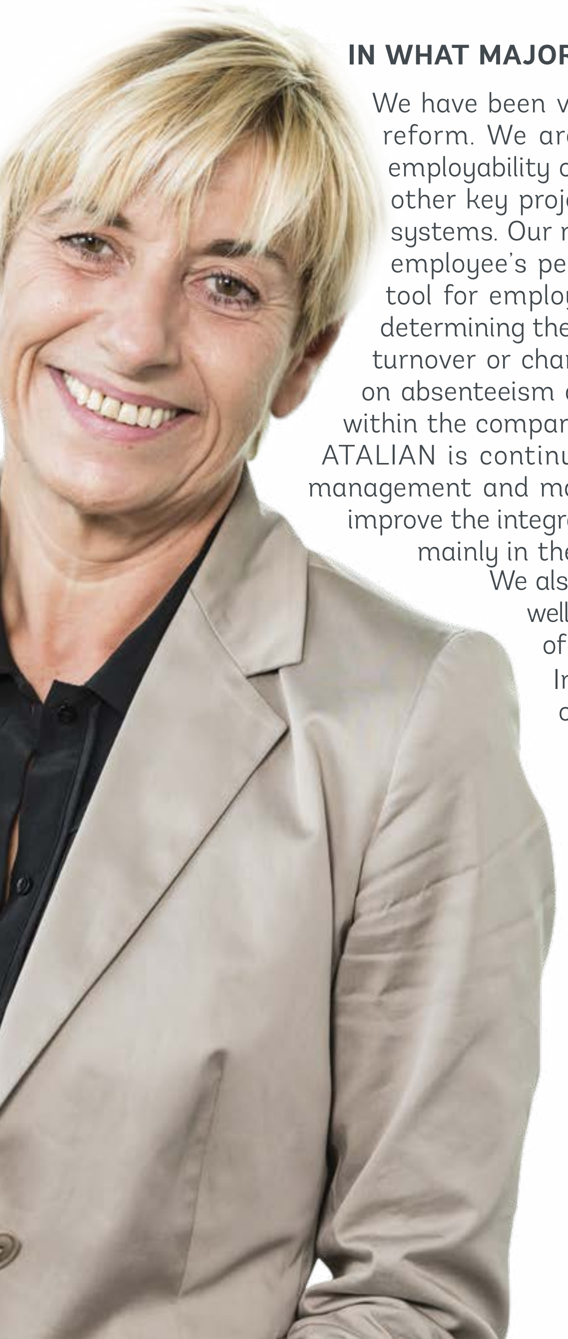
### NUCLEAR

· CEFRI E
· UTO 85-114

# SOCIAL & SOCIETAL COMMITMENTS

## WITH CAROL RAMBON

HEAD OF HUMAN RESOURCES, ATALIAN GROUP



### IN WHAT MAJOR HR PROJECTS ARE YOU CURRENTLY INVESTING?

We have been very busy with the application of the 2014-2015 professional training reform. We are developing our employment and expertise plan, to optimise the employability of our people and ensure that training needs are aligned with jobs. The other key project involves defining HR performance indicators combined with alert systems. Our main concern is to manage and even anticipate risks and improve each employee's performance. More specifically, these indicators will serve as a support tool for employee administration, for instance in terms of payroll management or determining the payroll error rate. They can also be used to track regulatory obligations, turnover or changes in overall workforce trends. Lastly, these indicators provide data on absenteeism and industrial disputes, and alert us in the event of psychosocial risks within the company.

ATALIAN is continuing its partnership with IDRAC Business School to reinforce local management and managerial skills. An ATALIAN-specific training course was designed to improve the integration of future managers. Around fifteen students are taking the course, mainly in the cleaning and safety sectors.

We also want to make sure that employees from newly acquired companies are well integrated. The challenge is to ensure the buy-in of workers from a diversity of backgrounds, both French and foreign, to a single corporate culture.

In 2014, we acquired ten companies, adding more than 2,000 people to our workforce, and will pursue this acquisition policy in 2015.

### WHAT ACTIONS HAS SIGNING THE DIVERSITY CHARTER INSPIRED YOU TO TAKE?

We feel fortunate to have people on our teams from a diversity of backgrounds and to actively participate in building an equal opportunity workplace with long-term employee integration, professional development programmes, literacy programmes and so forth. This commitment ensures the coherence, recognition and credibility of our CSR actions.

Key figures

65,000

**EMPLOYEES**
25,000 FTE IN FRANCE
8,200 FTE ABROAD

43%
MEN

VS

57%
WOMEN

126,596

**HOURS OF TRAINING**

16,453

**EMPLOYEES TRAINED**

27 %

**OF NEW HIRES IN 2014 WERE UNDER 26 YEARS OLD**

457

**WORK/STUDY CONTRACTS**

Diversity

136

**NATIONALITIES**

7.8 %

**OF EMPLOYEES ARE DISABLED**

20 %

**OF EMPLOYEES ARE OVER 55 YEARS OLD**

With revenue up 5% to reach €1,267 million, the ATALIAN Group has enjoyed continued growth both in France and internationally. In the second half of the financial year, the group expanded into Southeast Asia according to plan, making its first acquisitions in Indonesia and Thailand.
ATALIAN also considerably reinforced its positions in Turkey in 2014, which helped bring international operations revenue up to €157 million. In France, ATALIAN pursued its opportunistic and dynamic approach, in particular by acquiring companies offering a rapid return on investment.
Thanks to this strategy, the Group has maintained its market shares while improving profitability. In today's strained economic climate, all teams are deeply aware of the need to control costs.
Company earnings (EBITDA) reached €87 million which, with net debt down €16 million at
€318 million, allowed ATALIAN to lower its debt/EBITDA ratio to 3.5, compared to 4.0 in 2013.
2015 should see continued strong growth with the arrival of new countries and targeted acquisitions in markets where the Group already operates.

# 5 FINANCIAL STATEMENTS

# LA FINANCIÈRE ATALIAN SAS
# STATUTORY AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

(FOR THE YEAR ENDED 31 AUGUST 2014)

**PricewaterhouseCoopers Audit**
63 rue de Villiers
92200 Neuilly-sur-Seine

**Robert MIRRI**
18 rue Spontini
75116 Paris

## STATUTORY AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS *(For the year ended 31 August 2014 )*

This is a free translation into English of the Statutory Auditors' report issued in French and is provided solely for the convenience of English speaking readers. The Statutory Auditors' report includes information specifically required by French law in such reports, whether modified or not. This information is presented below the opinion on the financial statements and includes an explanatory paragraph discussing the Auditors' assessments of certain significant accounting and auditing matters. These assessments were considered for the purpose of issuing an audit opinion on the consolidated financial statements taken as a whole and not to provide separate assurance on individual account captions or on information taken outside of the consolidated financial statements.
This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France

**La Financière Atalian SAS** - 110, rue de l'Ourcq - 75019 Paris

To the Shareholders,

In compliance with the assignment entrusted to us by your General Meeting, we hereby report to you, for the year ended 31 August 2014, on:
- the audit of the accompanying consolidated financial statements of La Financière Atalian;
- the justification of our assessments;
- the specific verification required by law.

These consolidated financial statements have been approved by the Chairman. Our role is to express an opinion on these financial statements based on our audit.

### I - OPINION ON THE CONSOLIDATED FINANCIAL STATEMENTS

We conducted our audit in accordance with professional standards applicable in France. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement. An audit involves performing procedures, using sampling techniques or other methods of selection, to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made, as well as the overall presentation of the consolidated financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

In our opinion, the consolidated financial statements give a true and fair view of the assets and liabilities and of the financial position of the Group at 31 August 2014 and of the results of its operations for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

Without qualifying our opinion, we draw your attention to the following matter set out in Note 2.2 of the notes to the consolidated financial statements. Note 2.2 describes the impact on comparative information of error corrections that have been accounted for in accordance with IAS 8 – Accounting Policies, Changes in Accounting Estimates and Errors. The impact of these corrections on the consolidated financial statements is as follows: "Equity" decreased by 1.1 million euros with a contra-entry recognised as an increase in payables to employees (provisions for paid leave) of 1.7 million euros and an increase in deferred tax assets of 0.6 million euros respectively, at 31 August 2012.

## II - JUSTIFICATION OF OUR ASSESSMENTS

In accordance with the requirements of article L.823-9 of the French Commercial Code (Code de commerce) relating to the justification of our assessments, we bring to your attention the following:

- The Group systematically tests goodwill and assets with indefinite useful lives for impairment at the end of each financial year and also determines whether there is an indication of impairment of non-current assets. We reviewed the methods used by the Group to test for impairment and the cash flow forecasts and assumptions used, and verified that Note 3.1 ("Goodwill") provided appropriate disclosures.
- The Group recognises deferred tax assets in accordance with the methods described in Note 3.5 ("Non-current tax assets and liabilities"). We verified the consistency of the assumptions used and the calculations made by the Group.

These assessments were made as part of our audit of the consolidated financial statements taken as a whole, and therefore contributed to the opinion we formed which is expressed in the first part of this report.

## III - SPECIFIC VERIFICATION

As required by law and in accordance with professional standards applicable in France, we have also verified the information relating to the Group presented in the management report. We have no matters to report as to its fair presentation and its consistency with the consolidated financial statements.

Neuilly-sur-Seine and Paris, 8 December 2014

The Statutory Auditors

| | |
|---|---|
| PricewaterhouseCoopers Audit<br>Eric Bertier | Robert MIRRI |

# CONSOLIDATED STATEMENT OF FINANCIAL POSITION 31 AUGUST 2014

In thousands of euros

| ASSETS | Note | 31 August 2014 | 31 August 2013 restated |
|---|---|---|---|
| Goodwill | 3.1 | 420,468 | 403,819 |
| Intangible assets | 3.2 | 9,300 | 8,166 |
| Property, plant and equipment | 3.3 | 40,486 | 43,059 |
| Other non-current financial assets | 3.4 | 16,006 | 12,418 |
| Deferred tax assets | 3.5 | 49,334 | 49,485 |
| NON CURRENT ASSETS | | **535,594** | **516,947** |
| Inventories | 4.1 | 2,975 | 2,201 |
| Prepayment to suppliers | 4.2 | 3,218 | 4,980 |
| Trade receivables | 4.3 | 208,016 | 212,405 |
| Current tax assets | 4.3 | 1,349 | 1,196 |
| Other current financial assets | 4.3 | 107,332 | 85,649 |
| Cash and cash equivalents | 4.5 | 69,737 | 52,641 |
| CURRENT ASSETS | | **392,627** | **359,072** |
| Assets held for sale and discontinued operations | | - | - |
| TOTAL ASSETS | | **928,221** | **876,019** |

| EQUITY AND LIABILITIES | Note | 31 August 2014 | 31 August 2013 restated |
|---|---|---|---|
| Equity | | | |
| · Share capital | 5.1 | 113,983 | 117,363 |
| · Share premium and other reserves | | (4,428) | (2,673) |
| · Foreign exchange translation reserves | 5.2 | (915) | (30) |
| · Net income for the year | | 11,914 | 7,006 |
| TOTAL EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY | | **120,554** | **121,666** |
| Total equity attributable to non-controlling interests | | 12,592 | 7,704 |
| TOTAL EQUITY | | **133,146** | **129,370** |
| Non current borrowings | 7.1 | 254,076 | 258,214 |
| Non-current provisions | 6.1 | 8,770 | 6,190 |
| Deferred tax liabilities | 3.5 | 110 | 129 |
| NON CURRENT LIABILITIES | | **262,956** | **264,533** |
| Prepayment received from customers | 9.1 | 313 | 620 |
| Current borrowings | 7.1 | 51,575 | 34,611 |
| Current tax liabilities | 9.1 | 3,871 | 2,718 |
| Trade payables | 9.1 | 115,395 | 122,149 |
| Current provisions | 6.2 | 18,591 | 18,193 |
| Other current liabilities | 9.1 | 338,191 | 302,097 |
| Bank overdrafts and other cash position items | 9.2 | 4,183 | 1,728 |
| CURRENT LIABILITIES | | **532,119** | **482,116** |
| Liabilities related to assets held for sale and discontinued operations | | - | - |
| **TOTAL EQUITY AND LIABILITIES** | | **928,221** | **876,019** |

# CONSOLIDATED INCOME STATEMENT 31 AUGUST 2014

In thousands of euros

| | Note | **31 August 2014** | 31 August 2013 |
|---|---|---|---|
| REVENUE | | **1,266,700** | **1,206,199** |
| Raw materials & consumables used | | (270,999) | (274,690) |
| External expenses | | (80,839) | (79,985) |
| Staff costs | | (802,154) | (760,368) |
| Taxes (other than on income) | | (22,406) | (20,373) |
| Other operating revenue | | 7,920 | 11,922 |
| Other operating expenses | | (11,119) | (7,781) |
| OPERATING INCOME BEFORE DEPRECIATION, AMORTIZATION PROVISIONS AND IMPAIRMENT LOSSES | 11 | **87,103** | **74,924** |
| Depreciation and amortization, net | | (22,519) | (20,240) |
| Provisions and impairment losses, net | | (5,073) | 3,240 |
| OPERATING PROFIT | 11 | **(59 511)** | **57,924** |
| Expenses on gross debt | | (27,048) | (35,715) |
| Income from cash and cash equivalents | | 339 | 103 |
| NET FINANCE COSTS | 12 | **(26,709)** | **(35,612)** |
| Other financial income and expenses | | (1,422) | (1,474) |
| NET FINANCIAL EXPENSE | 12 | **(28,131)** | **(37,086)** |
| Income tax expense | 13 | (16,307) | (13,178) |
| Share of net income (loss) of other equity-accounted entities | | (91) | 441 |
| NET INCOME (LOSS) FROM CONTINUING OPERATIONS | | **14,982** | **8,101** |
| Net income (loss) from discontinued operations | | - | - |
| NET INCOME FOR THE YEAR | | **14,982** | **8,101** |
| Attributable to owners of the Company | | **11,914** | **7,006** |
| Attributable to non-controlling interests | | **3,068** | **1,095** |

# CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME 31 AUGUST 2014

In thousands of euros

| | 31 August 2014 | 31 August 2013 restated |
|---|---|---|
| **NET INCOME (LOSS) FOR THE YEAR** | **14,982** | **8,101** |
| **Other items of comprehensive income subsequently released to net income** | **(885)** | **1,493** |
| Foreign exchange gains and losses | (885) | (365) |
| Fair value adjustments on derivatives | | 2,833 |
| Related income tax expense | | (975) |
| **Other items of comprehensive income not subsequently released to net income** | **(875)** | **(413)** |
| Actuarial gains and losses on pension obligations | (1,334) | (359) |
| Related income tax expense | 459 | (54) |
| TOTAL OTHER COMPREHENSIVE INCOME | (1,760) | 1,080 |
| **TOTAL COMPREHENSIVE INCOME (LOSS) FOR THE YEAR** | **13,222** | **9,181** |
| **Attributable to owners of the Company** | **10,154** | **8,086** |
| **Attributable to non-controlling interests** | **3,068** | **1,095** |

# CONSOLIDATED CASH FLOW STATEMENT 31 AUGUST 2014

In thousands of euros

| I - CASH FLOW FROM CONTINUING OPERATIONS | | 31 August 2014 | 31 August 2013 restated |
|---|---|---|---|
| A - NET CASH FROM OPERATING ACTIVITIES | | | |
| **Operating cash flow before changes in working capital:** | | | |
| · Net income for the year | | 14,982 | 8,101 |
| · Share of net income (loss) of associates | | 91 | (441) |
| · Operating depreciation, amortization, provisions and impairment losses | | 27,872 | 17,200 |
| · Gains/losses on disposal and dilution | | 853 | (2,395) |
| · Other non cash items | | (3) | 50 |
| **Operating cash flow before changes in working capital** | | **43,795** | **22,515** |
| · Net finance costs | | 26,709 | 35,612 |
| · Income tax expense | | 16,307 | 13,178 |
| **Operating cash flow before changes in working capital, net finance costs and income tax expense** | | **86,811** | **71,305** |
| · Income taxes paid | | (15,259) | (18,433) |
| · Changes in operating working capital | | 4,340 | 85,861 |
| NET CASH FROM OPERATING ACTIVITIES | A | **75,892** | **138,733** |
| B - NET CASH USED IN INVESTING ACTIVITIES | | | |
| Purchases of intangible assets, property, plant and equipment | | (14,409) | (12,211) |
| Change in net payables due on intangible assets, property, plant and equipment | | - | - |
| Proceeds on disposal of intangible assets, property, plant and equipment | | 841 | 1,348 |
| **Changes in consolidation scope** | | | |
| · Purchases of consolidated companies less cash held by subsidiaries acquired or sold | | (15,434) | (4,329) |
| Other cash flows from investing activities | | (3,726) | 436 |
| NET CASH USED IN INVESTING ACTIVITIES | B | **(32,728)** | **(14,756)** |
| C - NET CASH USED IN FINANCING ACTIVITIES | | | |
| Operations in share capital | | (8,807) | (11,000) |
| Equity warrant buy-back | | | (19,200) |
| **Dividends paid** | | | |
| Dividends paid to shareholders of the parent company | | (3,000) | (3,000) |
| Dividends paid to non-controlling interests | | (58) | |
| New non-current borrowings | | 21,912 | 241,337 |
| Principal payments on non-current borrowings | | (13,148) | (260,797) |
| Net finance costs | | (26,709) | (35,612) |
| Non-cash interest expenses | | 1,594 | 11,725 |
| Capitalized interest from previous period, paid | | | (22,701) |
| Other cash flows from financing activities | | (45) | 23 |
| NET CASH USED IN FINANCING ACTIVITIES | C | **(28,261)** | **(99,225)** |
| D - EFFECT OF FOREIGN EXCHANGE RATE CHANGES AND OTHER | D | **(262)** | **(19)** |
| **CHANGE IN NET CASH AND CASH EQUIVALENTS** | **(A + B + C + D)** | **14,641** | **24,733** |
| **NET CASH AT THE BEGINNING OF THE YEAR** | | **50,913** | **26,180** |
| Net cash flows for the period | | 14,641 | 24,733 |
| **NET CASH AT THE END OF THE YEAR** | | **65,554** | **50,913** |

# STATEMENT OF CHANGES IN EQUITY 31 AUGUST 2014

In thousands of euros

| | Share capital and share premium | Reserves / Retained earnings | Net income for the year | Foreign exchange translation reserves | Fair value reserves | EQUITY ATTRIBUTABLE TO OWNERS OF THE COMPANY | Non-controlling interests | TOTAL EQUITY |
|---|---|---|---|---|---|---|---|---|
| AS OF AUGUST 31, 2012 | 127,728 | 10,834 | 11,105 | 335 | (1,804) | **148,198** | 6,250 | **154,448** |
| Error correction | | (992) | | | | (992) | (111) | (1,103) |
| AS OF AUGUST 31, 2012 (RESTATED) | 127,728 | 9,842 | 11,105 | 335 | (1,804) | **147,206** | 6,139 | **153,345** |
| Net income for the year | | | 7,006 | | | 7,006 | 1,095 | 8,101 |
| Income and expenses recognised directly in equity | | (359) | | (365) | 1,804 | 1,080 | | 1,080 |
| Net income for the year and income and expenses recognised directly in equity | | (359) | 7,006 | (365) | 1,804 | 8,086 | 1,095 | 9,181 |
| Other changes in equity | (10,365) | (19,835) | | | | (30,200) | | (30,200) |
| Appropriation of FY 2012 profit | | 11,105 | (11,105) | | | | | |
| Dividends paid | | (3,000) | | | | (3,000) | | (3,000) |
| Changes in consolidation scope | | (426) | | | | (426) | 470 | 44 |
| AS OF AUGUST 31, 2013 | 117,363 | (2,673) | 7,006 | (30) | | **121,666** | 7,704 | **129,370** |
| Net income for the year | | | 11,914 | | | 11,914 | 3,068 | 14,982 |
| Income and expenses recognised directly in equity | | (875) | | (885) | | (1,760) | (56) | (1,816) |
| NET INCOME FOR THE YEAR AND INCOME AND EXPENSES RECOGNISED DIRECTLY IN EQUITY | | (875) | 11,914 | (885) | | 10,154 | 3,012 | 13,166 |
| Other changes in equity | (3,380) | (5,449) | | | | (8,829) | 22 | (8,807) |
| Appropriation of FY 2013 profit | | 7,006 | (7,006) | | | | | |
| Dividends paid | | (3,000) | | | | (3,000) | (58) | (3,058) |
| Changes in consolidation scope | | 563 | | | | 563 | 1,912 | 2,475 |
| AS OF AUGUST 31, 2014 | 113,983 | (4,428) | 11,914 | (915) | | **120,554** | 12,592 | **133,146** |

# APPENDICES
# TO THE CONSOLIDATED ACCOUNTS

# NOTE 1
# GENERAL INFORMATION AND SIGNIFICANT EVENTS

The terms *"the Atalian Group"* and *"the Group"* refer to the parent company, La Financière Atalian, and its consolidated subsidiaries. The term *"the Company"* refers solely to the parent company, La Financière Atalian.
La Financière Atalian - the Group holding company - is a simplified joint-stock company incorporated under French law (*société par actions simplifiée*), whose registered office is located at 110 rue de l'Ourcq, 75019 Paris, France. The Atalian Group provides cleaning services and other support services to companies and organisations, in France and abroad.
The consolidated financial statements are presented in thousands of euros unless otherwise specified and were approved by the Chairman on 8 December 2014.
At 31 August 2014 the Company's share capital was composed of 113,982,863 ordinary shares with a par value of €1 each. A breakdown of the Company's share capital is provided in Note 5 - *"Equity"*.

## SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR:

**BUSINESS COMBINATION - ACQUISITION OF CERTAIN NIWAKI GROUP COMPANIES**

In April 2014, the Group finalised its acquisition of certain Niwaki Group companies (France Claire, Netecler, Marietta, TFS and Probus). These companies are specialised in cleaning and related services and operate throughout France.
The acquisition of these Niwaki companies - which have a total of 500 employees and generated €17 million in revenue in 2013 - has further strengthened Atalian's positions in the cleaning services sector.
The Group acquired control of these companies on 3 April 2014 after the applicable conditions for completion of the deal had been met, notably when clearance had been obtained from the Commercial Court overseeing these companies' bankruptcy protection proceedings (*plan de sauvegarde*).
The impacts of this business combination on the Group's financial statements are presented in Note 3 - *"Non-current assets"*.

## SIGNIFICANT EVENTS AFTER 31 AUGUST 2014

No significant events took place between 31 August 2014 and the issue date of these financial statements.

# NOTE 2
# SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES IFRS

The principal accounting policies applied in the preparation of the Group's consolidated financial statements for the year ended 31 August 2014 are set out below. These policies have been consistently applied to all the financial years presented, unless otherwise stated.
In compliance with Regulation (EC) No. 1606/2002 of the European Parliament and Council dated 19 July 2002, these consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union as at the preparation date, including IASs, IFRSs and the interpretations issued by IFRIC and its predecessor the SIC.
The standards and interpretations adopted by the European Union can be viewed on the European Commission's website at: http://ec.europa.eu/internal_market/accounting/ias/index_en.htm

## A) STANDARDS AND INTERPRETATIONS PUBLISHED BUT NOT YET APPLICABLE

In general, the Group has not early adopted any standards or interpretations that have been endorsed by the European Union but whose application was not mandatory in FY 2013-2014.

The Group is currently analysing the impacts of other new and revised standards, notably IFRS 13 - *Fair Value Measurement*, effective from 1 January 2013, IFRS 10 - *Consolidated Financial Statements*, IFRS 11 - *Joint Arrangements*, and IFRS 12 - *Disclosure of Interests in Other Entities*, as well as the revised versions of IAS 27 - *Separate Financial Statements* and IAS 28 - *Investments in Associates and Joint Ventures*, issued by the IASB in May 2011 and adopted by the European Union with an effective date of 1 January 2014. No significant impacts are currently expected.

## B) USE OF ESTIMATES

The consolidated financial statements have been prepared according to the historical cost convention.
The preparation of these consolidated financial statements required Group Management to use certain estimates and assumptions that may have an impact on the reported values of assets and liabilities at the balance sheet date and on items of income and expense for the period. These estimates and assumptions are reviewed on a continuous basis by reference to past experience, as well as various other factors considered as reasonable which form the basis for assessing the carrying amount of assets and liabilities. Actual results could differ significantly from these estimates if different assumptions or circumstances apply.
The estimates and assumptions that may have a significant impact on the assets and liabilities and income and expense items in the consolidated financial statements are as follows:

- **goodwill impairment testing**

Goodwill is tested for impairment at least annually, at the same time each year, using the method described in Note 3.1 below. The recoverable amount of cash-generating units (CGUs) is determined using a multi-criteria valuation method and is based on estimates of future cash flows.

- **provisions for pension and other long-term employee benefit obligations**

The present value of the Group's pension and other long-term employee benefit obligations depends on the actuarial assumptions adopted at each reporting date, including the discount rate. Changes in these assumptions affect the carrying amount of pension and other long-term employee benefit obligations.
At each reporting date the Group determines the discount rate to be used for measuring these obligations by reference to market yields on bonds issued by companies with high credit ratings assigned by well-known rating agencies, and which are denominated in the currency in which the benefits will be paid and have terms to maturity approximating the terms of the benefit obligations.
The Group also uses other assumptions that notably depend on market conditions.

- **deferred tax assets**

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available to realise the related tax benefit, based on fiscal forecasts drawn up for each taxable entity or tax consolidation group.

- **other provisions**

These provisions mainly concern provisions for legal risks and restructuring costs.
A provision is recorded when the Group has a present obligation resulting from a past event, the amount of the obligation can be reliably estimated and it is probable that an outflow of resources will be required to settle the obligation. The provisions are determined and updated based on assumptions made by the Group at each reporting date and are discounted if the time value of money is material.

## 2.1 CONSOLIDATION

### 2.1.1 Financial year-end

The Group's companies have been consolidated based on their financial statements for the twelve-month period ended 31 August 2014. However, companies acquired during the course of the financial year have only been included in the income statement as from the date on which the Group effectively acquired control.

### 2.1.2 Consolidation methods and scope of consolidation

2.1.2.1 Subsidiaries

Subsidiaries are entities over which La Financière Atalian exercises control, either directly or indirectly. Control is presumed to exist when the Group has the power to govern an entity's financial and operating policies so as to obtain benefits from its activities, generally accompanying a shareholding representing more than one half of the voting rights. Subsidiaries are fully consolidated taking into account the existence and effect of the voting rights of non-controlling interests. Control may also arise when a contract exists entitling the Group to govern an entity's financial and operating policies, or when the Group is able to govern the financial and operating policies by virtue of de facto control. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity.
Intra-group transactions and balances and unrealised gains on transactions between Group companies are eliminated in consolidation.
Subsidiaries are fully consolidated from the date on which control is transferred to the Group and are deconsolidated from the date that control ceases.
The profit or loss of subsidiaries is allocated between the Group and non-controlling interests based on their percentage interest in the subsidiary concerned, even if this results in the recognition of negative amounts.
The Group gives firm or optional purchase commitments to the minority shareholders of certain consolidated subsidiaries. For optional commitments, if the underlying options are exercised, the commitments - which are contractual in nature - enable the minority shareholders to sell their interests in the subsidiaries concerned to the Group, which is obliged to purchase them. At the year-end, the Group recognises a financial liability in relation to such commitments, corresponding to the present value of the estimated future exercise price of the options (see Note 7 - *"Long- and short-term financial liabilities"*, under *"Other borrowings and financial liabilities"*). The contra-entry for this financial liability is a cancellation of the value of non-controlling interests. If the value of the financial liability exceeds the carrying amount of the related non-controlling interests, the excess is recorded as a deduction from equity attributable to owners of the parent. Any subsequent changes in the financial liability are recognised in equity. These commitments have no impact on the allocation of subsidiaries' profit or loss between the Group and non-controlling interests.

A list of La Financière Atalian's subsidiaries is provided in Note 16.

Entities that are owned by several shareholders exercising joint control are proportionately consolidated (joint ventures).

2.1.2.2 Associates

Associates are entities over which the Group has significant influence but not control, generally accompanying a shareholding representing between 20% and 50% of the voting rights.
Investments in associates are accounted for using the equity method. Under the equity method, the investment is initially recognised at cost, and the carrying amount is increased or decreased to recognise the investor's share of the profit or loss of the investee after the date of acquisition. The Group's investment in associates includes goodwill (*net of any accumulated impairment losses*) identified at the time of acquisition. If the Group's interest in an associate is reduced to zero, additional losses are provided for and a liability is recognised only to the extent that the Group has incurred legal or constructive obligations on behalf of the associate.
The Group's share of the profit or loss of associates is recognised in the consolidated income statement, and its share of movements in other comprehensive income is recognised in other comprehensive income. Unrealised gains on transactions between the Group and its associates are eliminated pro rata to the Group's interest in the associates concerned. Accounting policies of subsidiaries and associates have been changed where necessary to ensure consistency with the policies adopted by the Group.

A list of the Group's associates is provided in Note 16.

Shares in companies that do not represent material amounts for the Group or over which La Financière Atalian does not exercise any influence are recognised as investments in non-consolidated companies and measured at fair value as *"Other Non-Current"* financial assets.

2.1.2.3 Changes in the scope of consolidation

| | At 31 Aug. 2014 | At 31 Aug. 2013 |
|---|---|---|
| . Fully consolidated companies: | 109 | 114 |
| . Proportionately consolidated companies: | 1 | 1 |
| . Companies accounted for by the equity method: | 2 | 5 |
| | **112** | **117** |

### 2.1.3 Translation of the financial statements of foreign subsidiaries

The results and financial position of consolidated subsidiaries that have a functional currency other than the euro are translated into euros as follows: (i) assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet (except for equity which is translated at historical rates), and (ii) income and expenses and cash flow statement items are translated at average exchange rates for the year, unless the rate concerned underwent major fluctuations during the period in which case transaction date exchange rates are used. All resulting exchange differences are recognised in other comprehensive income.

### 2.1.4 Translation of foreign-currency transactions

Foreign-currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated at the closing rate. Any resulting exchange differences are recognised in the income statement.

### 2.1.5 Share-based payments

Stock options and free shares may be granted to the Group's executives and certain non-executive employees. In accordance with IFRS 2 - *Share-based Payment*, these options and shares are measured at the fair value of the services received, based on the grant-date fair value of the equity instruments concerned. The related expense is recognised over the beneficiaries' vesting period under *"Payroll costs"* in the income statement with a corresponding adjustment to equity. The measurement of the expense takes into account the probability of whether the underlying non-market performance and service conditions will be met by the beneficiaries. At the end of each reporting period, the Group revises its estimates of the number of options and/or shares that are expected to vest. It recognises the impact of the revision to original estimates, if any, in the income statement.

### 2.1.6 Financial risks

Certain Group entities use financial instruments for the purpose of reducing the impact of interest-rate fluctuations on their income statements. The framework within which the Group uses these financial instruments is described below. The instruments used correspond solely to interest-rate hedges and only one interest-rate cap was in place at 31 August 2014 (on a borrowing of €0.6 million).
Financial instruments are used purely for hedging purposes, are set up with leading French banks and do not present any risk of illiquidity if the hedges need to be unwound.
Reports are regularly provided to the management and supervisory bodies of the companies concerned on the use of these instruments, the choice of counterparties, and more generally the management of exposure to currency risk and interest-rate risk.

### TYPE OF FINANCIAL RISKS TO WHICH THE GROUP IS EXPOSED AND RELATED RISK MANAGEMENT PRINCIPLES

#### • CURRENCY RISK

Overall, the Group is only slightly exposed to currency risk in its routine commercial transactions. Contracts invoiced in foreign currency give rise to expenses which are mainly denominated in the same currency. This is particularly the case for most projects and services performed outside France, for which the portion of expenses denominated in local currency is much greater than the portion denominated in euros.

#### • INTEREST-RATE RISK

The Group's interest-rate risk relates to variable-rate financial liabilities shown on the balance sheet. A portion of this risk is hedged by the Group using derivatives adapted to the characteristics of the hedged liabilities.

#### • COUNTERPARTY RISK

The Group has been instructed to take great care in analysing counterparty risk. Consequently, only financial transactions with leading financial institutions are authorised.

#### • CREDIT RISK

Credit risk arises from the probability that the Group's customers may default, requiring a write-off of the related trade receivables.
The Group considers the credit risk on its trade receivables to be extremely low as these receivables are spread over a large number of customers in France and abroad, with no single customer accounting for more than 10% of consolidated revenue. Further details on the Group's trade receivables are provided in Note 4 - *"Current assets"*.

#### • LIQUIDITY RISK

The Group manages liquidity risk by using credit facilities set up with banks. The amounts and maturities of these facilities are adapted to ensure that the Group has sufficient cash to respect its commitments.
In addition, the Group finances a portion of its working capital through a trade receivables sale programme comprising factoring agreements which at the year-end represented a maximum of €130 million worth of factored receivables.
Detailed information on the Group's credit facilities and factoring is provided in Note 8 - *"Long- and short-term financial liabilities"*.

### 2.1.7 Related parties

The parties considered as related to the Group, as well as the material transactions carried out with these parties during FY 2013-2014, are as follows:

- The members of the Group's governance bodies;
- The non-trading property companies that are managed by the Company's Chairman and which lease buildings to the Group at market rates. The rent paid under these leases amounted to €3.9 million in FY 2013-2014;
- In addition, the security deposits paid to the non-trading property companies amounted to €3.9 million at the year-end;
- EAB Finance, which is the Group's controlling entity, and JPF Développement, a minority shareholder. These companies do not carry out any transactions with the Group other than in their capacity as shareholders (i.e. dividend payments and shareholder current account transactions);
- Associates, which are accounted for by the equity method (see Note 16).

### 2.1.8 Statement of cash flows

The Group has opted to use the indirect method for presenting the consolidated statement of cash flows, which consists of determining cash flows from operating activities by adding back to or deducting from profit for the period all non-cash transactions and all cash flows relating to investing and financing activities.
Net cash and cash equivalents - whose movements are analysed in the statement of cash flows - are defined as cash and cash equivalents less short-term bank loans and overdrafts.

## 2.2 COMPARABILITY OF THE FINANCIAL STATEMENTS

The Group has corrected a number of errors identified in prior-year calculations of provisions for paid leave of the employees of certain subsidiaries. These errors were identified when reliability tests were conducted during the year on the pay systems of the subsidiaries concerned. The impact of these error corrections is presented in the *"Corrections"* line of the table below.
As a result of the above, the status of the FY 2012-2013 consolidated financial situation, presented in the consolidated financial statements for comparative purposes, has been restated.

## IMPACTS ON THE STATUS OF THE CONSOLIDATED FINANCIAL SITUATION AT 31 AUGUST 2013:

| In millions of euros | Financial statements at 31 August 2013 reported | Corrections | Financial statements at 31 August 2013 restated |
|---|---|---|---|
| Goodwill | 403.8 | | 403.8 |
| Intangible assets | 8.2 | | 8.2 |
| Property, plant and equipment | 43.1 | | 43.1 |
| Other non-current financial assets | 12.4 | | 12.4 |
| Deferred tax assets | 48.9 | 0.6 | 49.5 |
| **Non-current assets** | **516.4** | **0.6** | **517.0** |
| Inventories | 2.2 | | 2.2 |
| Prepayments to suppliers | 5.0 | | 5.0 |
| Trade receivables | 212.4 | | 212.4 |
| Current tax assets | 1.2 | | 1.2 |
| Other receivables | 85.6 | | 85.6 |
| Cash and cash equivalents | 52.6 | | 52.6 |
| **Current assets** | **359.0** | **0** | **359.0** |
| **TOTAL ASSETS** | **875.4** | **0.6** | **876.0** |

| In millions of euros | Financial statements at 31 August 2013 reported | Corrections | Financial statements at 31 August 2013 restated |
|---|---|---|---|
| Equity attributable to owners of the parent | 122.7 | (1.0) | 121.7 |
| Non-controlling interests | 7.8 | (0.1) | 7.7 |
| **TOTAL EQUITY** | **130.5** | **(1.1)** | **129.4** |
| Long-term financial liabilities | 258.2 | | 258.2 |
| Long-term provisions | 6.2 | | 6.2 |
| Deferred tax liabilities | 0.1 | | 0.1 |
| **Non-current liabilities** | **264.5** | **0** | **264.5** |
| Customer prepayments | 0.6 | | 0.6 |
| Short-term portion of financial liabilities | 34.6 | | 34.6 |
| Current tax liabilities | 2.7 | | 2.7 |
| Trade payables | 122.2 | | 122.2 |
| Short-term provisions | 18.2 | | 18.2 |
| Other current liabilities | 300.4 | 1.7 | 302.1 |
| Short-term bank loans | 1.7 | | 1.7 |
| Financial instruments | - | | - |
| **CURRENT LIABILITIES** | **480.4** | **1.7** | **482.1** |
| **TOTAL EQUITY AND LIABILITIES** | **875.4** | **0.6** | **876.0** |

# NOTE 3
# NON-CURRENT ASSETS

## 3.1 GOODWILL €420,468 K

Acquisitions are accounted for under the acquisition method in accordance with the revised version of IFRS 3. Under this method, the purchase price is allocated to the identifiable assets acquired and liabilities assumed based on their acquisition-date fair values. These fair values are based on best estimates at the acquisition date and may be adjusted within twelve months of that date.
Costs directly related to the acquisition are expensed as incurred and are included in *"External charges"* in the consolidated income statement.
Goodwill corresponds to the excess of(i) the aggregate of the consideration transferred and the amount of any non-controlling interests in the acquiree, as measured at fair value, over(ii) the net of the acquisition-date fair values of the identifiable assets acquired and liabilities assumed. Positive goodwill is recognised in the balance sheet under *"Goodwill"* and negative goodwill is recorded in the income statement in the year of the acquisition.

For the acquisitions carried out during the year the Group elected to apply the option in IFRS 3R of recognising goodwill in accordance with the full goodwill method.
Goodwill is not amortised but, as required under IAS 36 - Impairment of Assets, is tested for impairment at least annually, at the same time each year, and whenever there is an indication that it may be impaired. Any impairment identified is recognised immediately and may not be subsequently reversed.
Goodwill is allocated to each cash-generating unit (CGU) that is expected to benefit from the synergies of the business combination, or to the group of CGUs at the level at which Management monitors the return on investment of the acquired businesses.

The value in use of a CGU is determined using the discounted cash flow method. At 31 August 2014, the following principles were used for the related calculations:

- The discount rate for future cash flows was determined based on the weighted average cost of capital. The rates used at 31 August 2014 and 2013 are stated in Note 3.1.3;
- Cash flow projections were derived from the medium-term business plans drawn up by the management team of the CGU concerned and approved by the Group's governance bodies;
- Terminal value is extrapolated by applying to normative cash flows for subsequent years a growth rate to perpetuity (see Note 3.1.3 for the rates applied at 31 August 2014 and 2013). This growth rate reflects the expected long-term growth in the markets in which the Group's CGUs operate, as well as their competitive positioning in these markets.

An impairment loss is recognised if the carrying amount of the CGU exceeds its recoverable amount. Any impairment losses on a CGU are deducted to the extent possible from the goodwill allocated to that CGU and then from the CGU's other assets proportionately to their respective carrying amounts.

The Group's CGUs are as follows:

- A *"Cleaning"* CGU, comprising all of the companies in the Cleaning division.
- An *"International"* CGU, comprising all companies outside France belonging to the same Operational Division, as the cash flows of these companies are independent from those of France.
- A *"Multi-technical"* CGU, comprising all the business lines specialised in technical fields (the Technical, Landscaping, Security divisions etc.), for which the Atalian Group can propose its customers a comprehensive *"Facilities Management"* offering and whose cash flows are therefore closely related.

### 3.1.1 Movements

| In thousands of euros | Gross | Impairment | Net |
|---|---|---|---|
| **31 AUGUST 2012** | **381,688** | **(4,575)** | **377,113** |
| Inter-item transfers | 2,250 | | 2,250 |
| Impact of changes in Group structure, exchange rates & other | 24,591 | | 24,591 |
| Impairment | | (135) | (135) |
| **31 AUGUST 2013** | **408,529** | **(4,710)** | **403,819** |
| Carrard goodwill finalisation | 2,118 | | 2,118 |
| Impact of changes in Group structure, exchange rates & other | 14,724 | | 14,724 |
| Impairment | | (193) | (193) |
| **31 AUGUST 2014** | **425,371** | **(4,903)** | **420,468** |

#### 3.1.1.1 Acquisition of CARRARD SERVICES

In June 2013, the Group acquired all of the shares in Carrard Services for a total of €12.0 million. Provisional goodwill arising on this acquisition amounted to €19.2 million and has been allocated to the Cleaning CGU. The table below sets out the allocation - estimated on a provisional basis at 31 August 2014 - of Carrard Services' identifiable assets acquired and liabilities assumed.

Millions of euro

| **Acquisition price** | **12.0** |
|---|---|
| **Assets acquired and liabilities assumed:** | |
| Non-current assets | 3.1 |
| Current assets | 32.2 |
| Provisions | (3.4) |
| Trade and other payables | (39.1) |
| **Net identifiable liabilities assumed** | **(7.2)** |
| Final goodwill | **19.2** |

#### 3.1.1.2 Acquisition of NIWAKI GROUP subsidiaries

In April 2014, the Group acquired all of the shares of certain subsidiaries of the Niwaki Group (France Claire, Netecler, Probus and TFS) for a total of €7.2 million. Provisional goodwill arising on this acquisition amounted to €7.5 million and has been allocated to the Cleaning CGU. The fair values of these companies' working capital, non-current assets and other liabilities were in the process of being evaluated at the year-end. The companies France Claire, Netecler, Probus and TFS generated €17 million in revenue during calendar year 2013 and have been consolidated by the Group since the date on which Atalian acquired control. The table below sets out the allocation - estimated on a provisional basis at 31 August 2014 - of the identifiable assets acquired and liabilities assumed of the subsidiaries France Claire, Netecler, Probus and TFS.

Millions of euro

| **Acquisition price** | **7.2** |
|---|---|
| **Assets acquired and liabilities assumed:** | |
| Non-current assets | 0.3 |
| Current assets | 7.6 |
| Financial liabilities | (0.7) |
| Provisions | (0.2) |
| Trade and other payables | (7.3) |
| **Net identifiable liabilities assumed** | **(0.3)** |
| Provisional goodwill | **7.5** |

### 3.1.2 Breakdown of goodwill by CGU

| In thousands of euros | 31 August 2014 | 31 August 2013 |
|---|---|---|
| Cleaning | 307,440 | 295,438 |
| Multi-technical | 76,969 | 76,729 |
| International | 36,059 | 31,652 |
| **Total** | **420,468** | **403,819** |

The increase in goodwill in the Cleaning CGU results in particular from the acquisitions that occurred during the calendar year (mainly Niwaki Group subsidiaries) and from the re-evaluation of the Carrard goodwill.

### 3.1.3 CGU impairment testing

The assumptions used for determining the recoverable amount of the CGUs at 31 August 2014 and 2013 were as follows:

| | 31 August 2014 | 31 August 2013 |
|---|---|---|
| CLEANING CGU | | |
| Capital employed | €276 million | €279 million |
| Cash flow projections | 4-year business plan + annual rate of growth after the last forecast period | 4-year business plan + annual rate of growth after the last forecast period |
| Discount rate | 7.5% | 8.5% |
| Long-term growth rate | 2.0% | 2.0% |
| MULTI-TECHNICAL CGU | | |
| Capital employed | €102 million | €107 million |
| Cash flow projections | 4-year business plan + annual rate of growth after the last forecast period | 4-year business plan + annual rate of growth after the last forecast period |
| Discount rate | 7.5% | 8.5% |
| Long-term growth rate | 2.0% | 2.0% |
| INTERNATIONAL CGU | | |
| Capital employed | €44 million | €29 million |
| Cash flow projections | 4-year business plan + annual rate of growth after the last forecast period | 4-year business plan + annual rate of growth after the last forecast period |
| Discount rate | 10.0% | 11.0% |
| Long-term growth rate | 2.0% | 2.0% |

No impairment losses were recorded at 31 August 2014 as the recoverable amount of each CGU exceeded the carrying amount of their capital employed.
Consequently, with all other factors remaining constant, in the event of a 0.50% increase in the discount rate or a 0.50% decrease in the long-term growth rate, the recoverable amount of the CGUs would be reduced by the amounts shown in the table below, but in each case would remain higher than the carrying amount of their capital employed at 31 August 204.

| UGT at 31 August 2013 | Discount rate | Long-term growth rate |
|---|---|---|
| **Impact on recoverable amount in €m** | **Impact +0,50%** | **Impact -0,50%** |
| Cleaning | (22.6) | (17.5) |
| Multi-technical | (7.5) | (6.1) |
| International | (4.5) | (3.1) |

## 3.2 INTANGIBLE ASSETS €9,300 K

IAS 38 defines an intangible asset as an identifiable non-monetary asset without physical substance. The Standard states that an asset meets the identifiability criterion in this definition when it:
- is separable, i.e. capable of being sold, rented, exchanged independently or transferred; or
- arises from contractual or other legal rights, regardless of whether those rights are separable.

Intangible assets with finite useful lives (software, licences, capitalised IT development costs, etc.) are amortised. Assets that have indefinite useful lives are not amortised but, as required under IAS 36, are tested for impairment at least once a year at a date close to the year-end or whenever there is an indication that they may be impaired.

| GROSS<br>In thousands of euros | Concessions, software, patents and similar rights | Other intangible assets | TOTAL |
|---|---|---|---|
| **31 AUGUST 2012** | **12,671** | **6,639** | **19,310** |
| Translation differences | (41) | (54) | (95) |
| Inter-item transfers | 1,227 | (4,243) | (3,016) |
| Changes in Group structure | 876 | 569 | 1,445 |
| Investments | 1,333 | 1,945 | 3,278 |
| Sundry disposals and reductions | (1,025) | - | (1,025) |
| **31 AUGUST 2013** | **15,041** | **4,856** | **19,897** |
| Translation differences | (40) | (36) | (76) |
| Inter-item transfers | 2,688 | (3,190) | (502) |
| Changes in Group structure | 10 | 135 | 145 |
| Investments | 1,975 | 2,055 | 4,030 |
| Sundry disposals and reductions | (217) | (34) | (251) |
| **31 AUGUST 2014** | **19,457** | **3,786** | **23,243** |

| AMORTISATION AND IMPAIRMENT<br>In thousands of euros | Concessions, software, patents and similar rights | Other intangible assets | TOTAL |
|---|---|---|---|
| **31 AUGUST 2012** | **(9,306)** | **(812)** | **(10,118)** |
| Translation differences | 37 | 19 | 56 |
| Changes in Group structure | (749) | - | (749) |
| Sundry disposals and reductions | 1,015 | 81 | 1,096 |
| Amortisation expense | (1,857) | (159) | (2,016) |
| **31 AUGUST 2013** | **(10,860)** | **(871)** | **(11,731)** |
| Translation differences | 36 | 26 | 62 |
| Inter-item transfers | 24 | 58 | 82 |
| Changes in Group structure | (5) | (103) | (108) |
| Sundry disposals and reductions | 211 | 34 | 245 |
| Amortisation expense | (2,325) | (168) | (2,493) |
| **31 AUGUST 2014** | **(12,919)** | **(1,024)** | **(13,943)** |

| NET<br>In thousands of euros | Concessions, software, patents and similar rights | Other intangible assets | TOTAL |
|---|---|---|---|
| 31 August 2013 | 4,181 | 3,985 | 8,166 |
| **31 AUGUST 2014** | **6,538** | **2,762** | **9,300** |

## 3.3 PROPERTY, PLANT AND EQUIPMENT €40,486 K

Property, plant and equipment are measured at cost less any accumulated depreciation and impairment losses. As the Group's buildings do not represent material amounts, it does not apply the method of separately depreciating each component of a building.
The cost of an item of property, plant and equipment consists of its purchase price, including import duties and non-recoverable taxes, after deducting trade discounts and rebates, as well as any costs directly attributable to bringing the asset to its required working condition.
Subsequent costs are recognised as expenses except when they improve the originally expected performance of the asset, increase its useful life, or reduce predefined operating costs.
After recognition as an asset, an item of property, plant and equipment is carried at cost less any accumulated depreciation and any accumulated impairment losses. This complies with the cost model prescribed in the applicable accounting standard.
Depreciation is calculated based on an asset's estimated useful life, which corresponds to the period over which the entity expects to use the asset.
Depreciable amount is the cost of an asset less any residual value. Residual value is the estimated amount that an entity would currently obtain from disposal of the asset, after deducting the estimated costs of disposal, if the asset were already of the age and in the condition expected at the end of its useful life (excluding the effects of inflation).
The main estimated useful lives applied are as follows:

- Buildings: 20 years;
- Equipment and machinery: 3 to 5 years;
- Other items of property, plant and equipment: 4 to 10 years depending on the type of asset (vehicles, office furniture etc.).

These useful lives are reviewed annually and are adjusted if current estimated useful lives differ from previous estimates. Any such adjustments are treated as a change in an accounting estimate and are recognised prospectively.

· Finance leases:
As defined in IAS 17, a finance lease is a lease that transfers to the lessee substantially all the risks and rewards incidental to ownership of an asset.
Title may or may not eventually be transferred under these leases.
Significant assets acquired under finance leases are recognised in the balance sheet under *"Property, plant and equipment"* and are measured at the lower of the fair value of the leased asset and the present value of the minimum lease payments, with a corresponding financial liability recorded on the liabilities side of the balance sheet. These assets are depreciated over their estimated useful lives.

· Investment properties: the Group has not identified any investment properties amongst its property, plant and equipment.

| GROSS<br>In thousands of euros | Land and buildings | Plant and equipment | Other | Assets under construction and prepayments to suppliers | TOTAL |
|---|---|---|---|---|---|
| **31 AUGUST 2012** | **6,162** | **95,745** | **54,759** | **3,580** | **160,246** |
| *Of which finance leases & long-term leases* | *470* | *40,007* | *72* | - | *40,549* |
| | | | | | |
| Translation differences | - | (239) | (400) | (12) | (651) |
| Inter-item transfers | - | 10,954 | (6,180) | (2,558) | 2,216 |
| Changes in Group structure | - | 13,993 | 3,883 | - | 17,876 |
| Investments | - | 10,757 | 3,767 | 689 | 15,213 |
| Sundry disposals and reductions | (114) | (685) | (4,018) | (63) | (4,880) |
| **31 AUGUST 2013** | **6,048** | **130,525** | **51,811** | **1,636** | **190,020** |
| *Of which finance leases & long-term leases* | *470* | *46,981* | *72* | | *47,523* |
| | | | | | |
| Translation differences | (18) | (538) | (274) | (12) | (842) |
| Inter-item transfers and other | 375 | (302) | 1,802 | (540) | 1,335 |
| Changes in Group structure | 383 | 1,440 | 1,706 | - | 3,529 |
| Investments | - | 9,614 | 5,332 | 392 | 15,338 |
| Sundry disposals and reductions | (176) | (1,409) | (3,221) | (514) | (5,320) |
| **31 August 2014** | **6,612** | **139,330** | **57,156** | **962** | **204,060** |
| *Of which finance leases & long-term leases* | *470* | *50,923* | *388* | - | *51,781* |

| DEPRECIATION AND IMPAIRMENT<br>In thousands of euros | Land and buildings | Plant and equipment | Other | Assets under construction and prepayments to suppliers | TOTAL |
|---|---|---|---|---|---|
| **31 AUGUST 2012** | **(4,345)** | **(70,640)** | **(44,040)** | **(758)** | **(119,783)** |
| *Of which finance leases & long-term leases* | *(422)* | *(22,273)* | *(72)* | - | *(22,767)* |
| | | | | | |
| Translation differences | - | 122 | 277 | - | 399 |
| Inter-item transfers | - | (5,084) | 4,315 | 2,219 | 1,450 |
| Changes in Group structure | (4) | (12,289) | (3,075) | - | (15,368) |
| Sundry disposals and reductions | 78 | 649 | 3,664 | - | 4,391 |
| Depreciation expense | (182) | (10,793) | (7,075) | - | (18,050) |
| | | | | | |
| **31 AUGUST 2013** | **(4,453)** | **(98,035)** | **(45,934)** | **1,461** | **(146,961)** |
| *Of which finance leases & long-term leases* | *(422)* | *(29,574)* | *(72)* | - | *(30,068)* |
| | | | | | |
| Translation differences | 1 | 350 | 241 | - | 592 |
| Inter-item transfers | - | 237 | 1,524 | (1,461) | 300 |
| Changes in Group structure | (168) | (440) | (798) | - | (1,406) |
| Sundry disposals and reductions | 1 | 955 | 3,027 | - | 3,983 |
| Depreciation expense | (184) | (12,738) | (7,160) | - | (20,082) |
| | | | | | |
| **31 AUGUST 2014** | **(4,803)** | **(109,671)** | **(49,100)** | **-** | **(163,574)** |
| *Of which finance leases & long-term leases* | *(422)* | *(34,129)* | *(72)* | - | *(34,623)* |

| NET<br>In thousands of euros | Land and buildings | Plant and equipment | Other | Assets under construction and prepayments to suppliers | TOTAL |
|---|---|---|---|---|---|
| **31 AUGUST 2013** | **1,595** | **32,490** | **5,877** | **3,097** | **43,059** |
| *Of which finance leases & long-term leases* | *48* | *17,407* | - | - | *17 455* |
| | | | | | |
| **31 AUGUST 2014** | **1,809** | **29,659** | **8,056** | **962** | **40,486** |
| *Of which finance leases & long-term leases* | *48* | *16,794* | *316* | - | *17,158* |

## 3.4 OTHER NON-CURRENT FINANCIAL ASSETS €16,006 K

- **Classification**

On initial recognition, the Group classifies its financial assets in one of the four categories defined in IAS 39 - Financial Instruments: Recognition and Measurement, based on their nature and the purpose for which they were acquired. These categories are then used to determine whether the financial assets are subsequently measured at amortised cost or fair value.

The categories of financial assets held by the Group are as follows:
Investments in non-consolidated companies and other long-term investments
Investments in non-consolidated companies and other long-term investments are classified as *"available-for-sale"* and are recorded in the balance sheet at fair value.
Changes in fair value - including unrealised gains and losses - are recognised in other comprehensive income except in the event of a prolonged decline in the value of the investment, in which case a corresponding impairment loss is recorded in the income statement for the period. When the financial asset is derecognised, the change in fair value previously recognised in other comprehensive income is taken to the income statement. Shares held in certain companies that do not represent material amounts for the Group are recognised as investments in non-consolidated companies.

Loans, guarantees and deposits:
Loans (including loans and advances to subsidiaries and associates), guarantees and deposits are measured at fair value on initial recognition and subsequently at amortised cost.

- **Recognition and measurement**

Purchases and sales of financial assets are recognised on the trade date, which is the date on which the Group commits to purchase or sell the asset.
A financial asset is derecognised when the Group's contractual rights to receive cash flows from the asset have expired or the Group has transferred the financial asset to a third party without retaining control or substantially all of the risks and rewards of ownership of the asset.
Financial assets are initially recognised at fair value plus, in the case of a financial asset not at fair value through profit, transaction costs that are directly attributable to the acquisition or issue of the financial asset. Transaction costs for financial assets classified as at fair value through profit are expensed in the income statement.
A financial asset is classified as a current asset when the cash flows from the instrument are expected to be received within one year.
The amortised cost of a financial asset is the amount at which the asset was initially recognised minus principal repayments, plus or minus the cumulative amortisation calculated using the effective interest method of any difference between that initial amount and the maturity amount.
For instruments quoted in an active market, fair value corresponds to a market price. For instruments not quoted in an active market, fair value is determined using valuation techniques. Valuation techniques include using recent arm's length market transactions or transactions in other instruments that are substantially the same, discounted cash flow analysis and option pricing models. In so far as possible, they include inputs based on observable market data. However, when the fair value of an equity instrument cannot be reasonably estimated, it is kept at historical cost.

| In thousands of euros | Equity-accounted companies | Factoring security deposits | Investments in non-consolidated companies and related receivables | Other | Total gross value | Amortisation and impairment | Net value |
|---|---|---|---|---|---|---|---|
| **31 AUGUST 2012** | **-** | **-** | **1,276** | **6,842** | **8,118** | **(374)** | **7,744** |
| Changes in Group structure | 489 | - | - | 480 | 969 | | 969 |
| Inter-item transfers | (788) | - | (715) | 468 | (1,035) | | (1,035) |
| Sundry increases and reductions | 429 | 5 235 | - | (562) | 5,102 | | 5,102 |
| Additions and reversals | | | | | | (362) | (362) |
| **31 AUGUST 2013** | **130** | **5,235** | **561** | **7,228** | **13,154** | **(736)** | **12,418** |
| Changes in Group structure | - | - | - | 47 | 47 | (12) | 35 |
| Inter-item transfers | 61 | - | 635 | (122) | 574 | | 574 |
| Sundry increases and reductions | (176) | 635 | - | 2,792 | 3,251 | | 3,251 |
| Additions and reversals | | | | | | (272) | (272) |
| **31 AUGUST 2014** | **15** | **5,870** | **1,196** | **9,945** | **17,026** | **(1,020)** | **16,006** |

The *"Equity-accounted companies"* column relates to the Group's share of the net equity of entities over which it exercises significant influence.
Factoring security deposits concern factoring contracts that transfer substantially all the risks and rewards of ownership of the underlying receivables to the factoring company. (see Notes 7.1 and 7.2).

## 3.5 NON-CURRENT TAX ASSETS AND LIABILITIES

Deferred taxes are determined by each taxable entity, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements.
A deferred tax asset/liability is recognised for all deductible/taxable temporary differences. However, deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available within a reasonable timeframe against which the temporary differences can be utilised.
Temporary differences between the tax bases of assets and liabilities and their carrying amounts may arise as a result of the following:

- Sources of future taxation (deferred tax liabilities): mainly corresponding to income on which taxation has been deferred.
- Sources of future deductions (deferred tax assets): mainly relating to provisions that are temporarily non-deductible for tax purposes, as well as tax loss carryforwards where the realisation of the related tax benefit through future taxable profits is highly probable.

Income tax expense is recognised in the income statement except where it relates to items recognised directly in equity/other comprehensive income, in which case, the tax is also recorded in equity/other comprehensive income.
Deferred taxes are recognised at the tax rate prevailing at the reporting date, adjusted where appropriate to take into account the effect of any changes in tax laws. The effect of any change in rates of corporation tax is included in either the income statement or in equity, depending on the initial method of recognition of the deferred tax concerned.
Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority on the same taxable entity.

### 3.5.1 Main sources of deferred taxes by nature

| In thousands of euros | 31 August 2014 | 31 August 2013 restated |
|---|---|---|
| **DEFERRED TAX ASSETS** | 49,334 | 49,485 |
| Employee benefits | 2,946 | 1,985 |
| Temporary differences | 1,609 | 2,479 |
| Tax loss carryforwards | 44,307 | 44,535 |
| Other sources of deferred tax assets | 472 | 486 |
| **DEFERRED TAX LIABILITIES** | **110** | **129** |
| Other sources of deferred tax liabilities | 110 | 129 |
| **TOTAL** | **49,224** | **49,356** |

Deferred tax liabilities relate to the Group's non-French subsidiaries.

The year-on-year change in this item essentially corresponds to the following:
- increase in the Group's obligations concerning statutory retirement bonuses due to the sharp decline in the discount rate.
- decrease in temporary differences due mainly to the exemption from employers' mandatory contribution to housing.

### 3.5.2 Recovery periods for deferred tax assets

| | Recovery within 2 years | Recovery in 2 to 5 years | Recovery in 5 to 10 years | Total |
|---|---|---|---|---|
| **DEFERRED TAX ASSETS** (IN €M) | **2.7** | **15.7** | **30.9** | **49.3** |

The recovery periods for deferred tax assets are based on the Group's taxable profit forecasts at 31 August 2014.

### 3.5.3 Tax base of unrecognised deferred tax assets

| In thousands of euros | 31 August 2014 | 31 August 2013 |
|---|---|---|
| Tax consolidation | 36,565 | 27,362 |
| Tax loss carryforwards of companies not included in the tax group | 14,095 | 807 |
| **TOTAL** | **50,660** | **28,169** |

# NOTE 4
# CURRENT ASSETS

## 4.1 INVENTORIES €2,975 K

The Group's inventories do not represent a material amount and essentially correspond to maintenance products. Inventories are stated at the lower of cost (weighted average unit cost) and market price. An impairment loss is recognised when the cost of an item of inventory falls below its realisable value.

| In thousands of euros | 31 August 2014 | | | 31 August 2013 | | |
|---|---|---|---|---|---|---|
| | **Gross** | **Impairment** | **Net** | Gross | Impairment | Net |
| Raw materials/supplies and finished products | 4,120 | (1,145) | 2,975 | 2,815 | (614) | 2,201 |
| **TOTAL** | **4,120** | **(1,145)** | **2,975** | **2,815** | **(614)** | **2,201** |

## 4.2 PREPAYMENTS €3,218 K

| In thousands of euros | 31 August 2014 | | | 31 August 2013 | | |
|---|---|---|---|---|---|---|
| | **Gross** | **Impairment** | **Net** | Gross | Impairment | Net |
| Prepayments to suppliers | 3,218 | | 3,218 | 4,980 | | 4,980 |
| **TOTAL** | **3,218** | | **3,218** | **4,980** | | **4,980** |

## 4.3 TRADE AND OTHER RECEIVABLES €316,697 K

Trade and other receivables are initially recognised at fair value. In practice, trade receivables are measured at their nominal value in view of their short-term nature.
If there is an objective indication of impairment or a risk that the Group may not be able to collect all of the contractual amounts of a receivable (principal plus interest) at the dates set in the contractual payment schedule, an impairment loss is recognised in the income statement. The amount of the impairment loss recorded represents the difference between the carrying amount of the asset and the estimated value of the future recoverable cash flows, discounted at the initial effective interest rate.
The Group sells receivables to factoring companies.
Following the renegotiation and extension of the Group's factoring programmes in 2013, a portion of its factored receivables for which substantially all the rights and rewards of ownership are transferred to the factoring companies can now be derecognised.
Details of receivables sold during FY 2013-2014 are provided in Note 7, *"Long- and short-term financial liabilities"*.

| In thousands of euros | 31 August 2014 | | | 31 August 2013 | | |
|---|---|---|---|---|---|---|
| | **Gross** | **Impairment** | **Net** | Gross | Impairment | Net |
| Trade receivables[1] (Trade receivables/Revenue accruals) | 225,222 | (17,206) | 208,016 | 226,347 | (13,942) | 212,405 |
| Current tax assets | 1,349 | | 1,349 | 1,196 | | 1,196 |
| | | | | | | |
| Other receivables: | 108,015 | (683) | 107,332 | 86,218 | (569) | 85,649 |
| Other operating receivables (Employees/Social security bodies/ State/Other) | 90,177 | | 90,177 | 67,952 | | 67,952 |
| Sundry receivables (Current accounts, etc.) | 11,544 | (683) | 10,861 | 12,497 | (569) | 11,928 |
| Prepaid expenses | 6,294 | | 6,294 | 5,769 | | 5,769 |
| | | | | | | |
| **TOTAL TRADE AND OTHER RECEIVABLES** | **334,586** | **(17,889)** | **316,697** | **313,761** | **(14,511)** | **299,250** |

(1) Including certain factored trade receivables that have not been derecognised (see Note 7.3).

## 4.4 BREAKDOWN OF TRADE RECEIVABLES BETWEEN AMOUNTS PAST DUE AND AMOUNTS NOT PAST DUE AT 31 AUGUST 2014

| In thousands of euros | Amounts not past due | Amounts past due < 12 months | Amounts past due > 12 months | TOTAL |
|---|---|---|---|---|
| Trade receivables | 171,452 | 45,876 | 7,894 | 225,222 |
| **TOTAL TRADE RECEIVABLES** | **171,452** | **45,876** | **7,894** | **225,222** |

## 4.5 CASH AND CASH EQUIVALENTS

Cash and cash equivalents include cash in hand, deposits held at call with banks, and other short-term highly liquid investments that are readily convertible to known amounts of cash, are subject to an insignificant risk of changes in value and have a term of three months or less (notably units in money market mutual funds (OPCVM) carried at fair value through profit or loss). This item may also include cash deposits in term accounts that have terms of more than three months but which the Group can withdraw from at any time without incurring significant rate penalties.

| In thousands of euros | 31 August 2014 Gross | 31 August 2014 Impairment | 31 August 2014 Net | 31 August 2013 Gross | 31 August 2013 Impairment | 31 August 2013 Net |
|---|---|---|---|---|---|---|
| Cash | 65,779 | | 65,779 | 41,259 | | 41,259 |
| Marketable securities | 3,958 | | 3,958 | 11,382 | | 11,382 |
| **TOTAL CASH AND CASH EQUIVALENTS** | **69,737** | | **69,737** | **52,641** | | **52,641** |

The Group's cash and cash equivalents are primarily in euros.
Marketable securities mainly comprise money market mutual funds (OPCVM).

# NOTE 5
# EQUITY

## 5.1 CAPITAL €113,983 K

| | 31 August 2013 | Decrease | Increase | 31 August 2014 |
|---|---|---|---|---|
| Shares (number) | 117,362,871 | -3,380,008 | | 113,982,863 |
| Number of shares outstanding | 117,362,871 | | | 113,982,863 |
| Par value | 1 € | - | | 1 € |
| SHARE CAPITAL IN € | 117,362,871 | -3,380,008 | | 113,982,863 |

At 31 August 2014 the Company's share capital was composed of 113,982,863 fully paid-up shares with a par value of €1 each. The Company carried out two capital reductions by buying back and cancelling 3,380,008 shares (1,738,290 shares in September 2013 and 1,641,718 shares in March 2014).

At 31 August 2014, in accordance with the Company's articles of association, all of the 113,982,863 shares making up its capitalwere ordinary shares.

## 5.2 TRANSACTIONS RECOGNISED DIRECTLY IN EQUITY (€915 K)

### 5.2.1 TRANSLATION RESERVE

The main translation differences at 31 August 2014 resulting from the conversion into euros of the financial statements of foreign subsidiaries were as follows:

| Currency | 31 Aug. 2013 | Change | 31 Aug. 2014 |
|---|---|---|---|
| Czech crown | (82) | (640) | (722) |
| Indonesian rupiah | - | (87) | (87) |
| Other | 52 | (158) | (106) |
| TOTAL | (30) | (885) | (915) |

# NOTE 6
# LONG- AND SHORT-TERM PROVISIONS

## 6.1 LONG-TERM PROVISIONS €8,770 K

In accordance with IAS 37, a provision is recognised when at the financial year-end the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.
These provisions essentially concern:

**Provisions for statutory retirement bonuses (*indemnités de fin de carrière*):**

In accordance with IAS 19R, the Group recognises a provision for statutory retirement bonuses receivable by employees on the day of their retirement which are not covered by insurance policies. The amount of the provision is calculated using a valuation method based on projected end-of-career salaries (the projected unit credit method). This valuation typically takes into account the following elements and assumptions:

- Classification of employees into groups with similar characteristics in terms of status, age and seniority.
- Voluntary departure at the age of 65 for all employees.
- Monthly salary plus a coefficient of currently applicable employer social security contributions.
- Salary increase rate of 3% for managers and 1.5% for non-managerial staff (identical to 2013).
- Discount rate for statutory retirement bonus obligation, projected to the retirement date (10-year iBoxx ++ at 31 August 2014, i.e. 1.86% vs. 3.14% in 2013).
- Staff turnover rate determined based on age bracket, business sector and socio-professional category. The turnover rates of acquired companies are aligned with the rates used for the Group's historic businesses.
- Life expectancy: *"INSEE 2009"* table.

All actuarial gains and losses on defined benefit post-employment benefit plans are recorded in "Long-term provisions" with a contra-entry in other comprehensive income.

**Provisions for long-service awards**

The Group sets aside a provision for the cost of statutory long-service awards payable in France. The amount of the provision is calculated using the projected unit credit method based on the date on which the awards are granted.

The actuarial assumptions used to calculate the present value of the Group's obligation for statutory retirement bonuses and long-service awards were updated at 31 August 2014, particularly the discount rate, which was determined by reference to market yields at the reporting date on bonds issued by companies with high credit ratings.

| In thousands of euros | Employees benefits | Long-service awards and other | Equity-accounted companies | TOTAL |
|---|---|---|---|---|
| 31 AUGUST 2012 | 5,157 | 177 | 788 | 6,122 |
| Inter-item transfers | | | (788) | (788) |
| Change in actuarial gains and losses | 170 | | | 170 |
| Changes in accounting methods and Group structure | 362 | | | 362 |
| Additions (net of reversals) | 294 | 30 | | 324 |
| **31 AUGUST 2013** | **5,983** | **207** | | **6,190** |
| | | | | |
| Inter-item transfers and other | | | | |
| Changes in accounting methods and Group structure | 285 | | | 285 |
| Change in actuarial gains and losses | 1,334 | | | 1,334 |
| Additions (net of reversals) | 961 | | | 961 |
| **31 AUGUST 2014** | **8,563** | **207** | | **8,770** |

The *"Equity-accounted companies"* column relates to the Group's share of the net equity of entities over which it exercises significant influence. This total was positive at 31 August 2014 (see Notes 3.4 and 16).

## 6.2 SHORT-TERM PROVISIONS €18,591 K

In view of the nature of the Group's business, short-term provisions primarily correspond to provisions for legal claims and disputes, and foreseeable difficulties in the Group's operations.

| In thousands of euros | Other short-term provisions |
|---|---|
| 31 AUGUST 2012 | 19,534 |
| Changes in Group structure | 3,339 |
| Inter-item transfers | |
| Changes in accounting methods and Group structure | |
| Additions (net of reversals) | (4,680) |
| 31 AUGUST 2013 | 18,193 |
| | |
| Inter-item transfers | (96) |
| Changes in accounting methods and Group structure | 224 |
| Additions (net of reversals) | 270 |
| **31 AUGUST 2014** | **18,591** |

# NOTE 7
# LONG- AND SHORT-TERM FINANCIAL LIABILITIES

Financial liabilities comprise the following:

- bond debt representing a principal amount of €250 million and maturing in 2020;
- borrowings taken out with leading banks;
- employee profit-sharing liabilities;
- factoring liabilities;
- finance lease liabilities;
- minority put liabilities.

Debt issuance costs are recognised in the year of the transaction concerned as a deduction from the underlying financial liabilities and are included in the effective interest rate used to calculate finance costs for the year.

## 7.1 BREAKDOWN OF INTEREST-BEARING BORROWINGS BY MATURITY

| Financial liabilities (in thousands of euros) | Short-term | Long-term | | Total |
|---|---|---|---|---|
| | Due within 1 year | Due in 1 to 5 years | Due beyond 5 years | **31 August 2014** |
| Bonds* | 544 | (6,908) | 249,424 | **243,060** |
| Bank borrowings | 2,182 | 1,486 | 106 | **3,774** |
| Finance lease liabilities | 6,633 | 7,516 | 419 | **14,568** |
| Other borrowings and financial liabilities | 505 | 73 | - | **578** |
| Loans from subsidiaries and associates | 490 | 1,960 | - | **2,450** |
| Factoring loans | 41,221 | - | - | **41,221** |
| Total interest-bearing borrowings at 31 Aug. 2014 | 51,575 | 4,127 | 249,949 | **305,651** |
| Total interest-bearing borrowings at 31 Aug. 2013 | 34,611 | 10,160 | 248,054 | **292,825** |

* bonds net of amortisable issuance costs (€-9.2 million)

In January 2013, the Group restructured and refinanced its debt through the issuance of €250 million worth of bonds maturing in 2020 with a nominal coupon rate of 7.25% p.a. In addition, factoring contracts that transfer substantially all the risks and rewards of ownership of receivables to the factoring companies were set up in FY 2012-2013. As a result of these new contracts, the receivables concerned can now be derecognised (see Note 7.3).

The Group has an €18 million revolving credit facility, none of which had been drawn down at the year-end. This financing is subject to limited financial covenants based on the Group's consolidated accounts. At 31 August 2014, all of these covenants were respected.

## 7.2 CONFIRMED CREDIT LINES

| | Confirmed lines | Utilised lines |
|---|---|---|
| Bonds* | 250,000 | 250,000 |
| Bank borrowings | 21,774 | 3,774 |
| Factoring loans | 130,000 | 119,692 |
| **Total** | **401,774** | **373,466** |

* Principal, excluding issuance costs

## 7.3 FACTORING

Several of the Group's subsidiaries sell their trade receivables on a monthly basis under factoring contracts.

At 31 August 2014, some of these contracts involved the transfer of substantially all the risks and rewards of ownership of the receivables concerned to the factoring companies, enabling the sold receivables to be derecognised. The amount of the derecognised receivables totalled €78.5 million at the year-end, giving the Group €72.6 million in cash with the remaining €5.9 million corresponding to a security deposit.

Factored receivables for which the Group has not transferred substantially all the risks and rewards of ownership are not derecognised and remain recorded in the balance sheet under *"Trade receivables"*, with the recognition of a corresponding financial liability. These receivables totalled €48.7 million at 31 August 2014 and the related security deposit amounted to €7.5 million. Consequently the corresponding short-term financial liability recognised amounted to €41.2 million (compared with €21.4 million at 31 August 2013).
The Group has been mandated by the factoring companies to manage on their behalf the recovery of the receivables that have been sold to them.

# NOTE 8
# CHANGE IN NET DEBT

## 8.1 MOVEMENTS IN NET DEBT

| In thousands of euros | | 31 August 2013 | Movements | **31 August 2014** |
|---|---|---|---|---|
| Cash and cash equivalents | | 52,641 | 17,096 | 69,737 |
| Short-term bank loans and overdrafts | | (1,728) | (2,455) | (4,183) |
| **Net cash and cash equivalents (1)** | | **50,913** | **14,641** | **65,554** |
| Long-term financial liabilities | | (258,214) | 4,138 | (254,076) |
| Short-term portion of long-term financial liabilities (2) | | (34,611) | (16,964) | (51,575) |
| **Debt** | | **(292,825)** | **(12,826)** | **(305,651)** |
| **Net debt** | **(A)** | **(241,912)** | **1,815** | **(240,097)** |
| Derecognised factoring contract (3) | (B) | (92,984) | 14,513 | (78,471) |
| **Net debt restated** | **(A) + (B)** | **(334,896)** | **16,328** | **(318,568)** |

(1) Net cash and cash equivalents as analysed in the statement of cash flows.
(2) Movements for the period mainly correspond to the change in debt resulting from factoring contracts not involving the transfer of substantially all the risks and rewards of ownership.
(3) Trade receivables sold under factoring contracts involving the full transfer of the risks and rewards of ownership to the factoring companies resulted in a derecognised liability of €78.5 million.

## 8.2 MAIN CHANGES DURING THE PERIOD

| In thousands of euros | | RESTATED (including derecognised factoring contract) |
|---|---|---|
| **NET DEBT AT 31 AUGUST 2012** | **(292,457)** | **(292,457)** |
| Cash generated from operations before financial expenses and tax | 71,305 | 71,305 |
| Change in operating working capital | 85,861 | (7,123) |
| Income tax paid (including CVAE) | (18,433) | (18,433) |
| **TOTAL - OPERATING ACTIVITIES** | 138,733 | 45,749 |
| Capital expenditure | (10,427) | (10,427) |
| Financial investments | (4,329) | (4,329) |
| Impact of minority puts | (743) | (743) |
| Finance leases and long-terms leases | (6,953) | (6,953) |
| Changes in Group structure | (469) | (469) |
| **TOTAL - INVESTING ACTIVITIES** | (22,921) | (22,921) |
| Dividends paid | (3,000) | (3,000) |
| Finance costs, net | (25,070) | (25,070) |
| Impact of refinancing (swaps, equity warrants, debt issuance costs) | (37,909) | (37,909) |
| Other (translation adjustments on borrowings etc.) | 712 | 712 |
| **TOTAL - FINANCING ACTIVITIES** | (65,267) | (65,267) |
| | | |
| **NET DEBT AT 31 AUGUST 2013** | **(241,912)** | **(334,896)** |
| | | |
| **NET DEBT AT 31 AUGUST 2013** | **(241,912)** | **(334,896)** |
| Cash generated from operations before financial expenses and tax | 86,811 | 86,811 |
| Change in operating working capital | 4,340 | 18,853 |
| Income tax paid (including CVAE) | (15,259) | (15,259) |
| **TOTAL - OPERATING ACTIVITIES** | **75,892** | **90,405** |
| Capital expenditure | (13,569) | (13,569) |
| Financial investments | (15,837) | (15,837) |
| Impact of minority puts | 752 | 752 |
| Finance leases and long-term leases | (5,030) | (5,030) |
| Changes in Group structure | 1,238 | 1,238 |
| **TOTAL INVESTING ACTIVITIES** | **(32,446)** | **(32,446)** |
| Dividends paid | (3,000) | (3,000) |
| Finance costs, net | (26,709) | (26,709) |
| Capital transactions | (8,807) | (8,807) |
| Change in other financial assets | (3,411) | (3,411) |
| Other (translation adjustments on borrowings etc.) | 296 | 296 |
| **TOTAL - FINANCING ACTIVITIES** | **(41,631)** | **(41,631)** |
| | | |
| **NET DEBT AT 31 AUGUST 2014** | **(240,097)** | **(318,568)** |

# NOTE 9
# OTHER CURRENT LIABILITIES

## 9.1 OTHER CURRENT LIABILITIES

### Trade and other payables

Owing to their short-term nature, the historical amounts recognised in the consolidated financial statements for trade and other payables are reasonable estimates of their market value.

### Customer prepayments

This item includes include advances and downpayments received from clients for the commencement of building works contracts.

| In thousands of euros | 31 August 2014 | 31 August 2013 |
|---|---|---|
| **Customer prepayments** | 313 | 620 |
| **Current tax liabilities** | 3,871 | 2,718 |
| **Trade payables** | 115,395 | 122,149 |
| **Other current liabilities** | 338,191 | 300,416 |
| Employee-related liabilities and accrued payroll taxes | 162,864 | 161,193 |
| Other accrued taxes | 91,500 | 102,512 |
| Other current payables | 76,610 | 32,673 |
| Deferred income | 7,217 | 4,038 |

This item also  includes the contra-entry for the pre-financing of CICE receivables carried out by the Group in 2014 in relation to the estimated future CICE tax credits of Group companies. This pre-financing amounted to €46 million at 31 August 2014.

## 9.2 SHORT-TERM BANK LOANS AND OVERDRAFTS €4,183 K

The Group's short-term bank loans and overdrafts - which are mainly denominated in euros - amounted to €4,183 thousand at 31 August 2014 compared with €1,728 thousand one year earlier.

# NOTE 10 SEGMENT REPORTING

### Identification of segments

The Group's business activities are structured around three divisions which each constitute an operating segment within the meaning of IFRS 8 as they sell distinct products and services or serve different customer segments. This segmentation is used by Management for assessing performance and forms the basis of the internal reporting system. The three divisions are as follows:

- A *"Cleaning"* division, comprising all of the companies in the Cleaning business.
- A *"Multi-technical"* division, comprising all the business lines specialised in technical fields, for which the Atalian Group can propose its customers a comprehensive offering and whose cash flows are therefore closely related.
- An *"International"* division, comprising all companies outside France, as the cash flows of these companies are independent from those of France.

In Note 10, the *"Other"* column includes items that are not components of an operating segment but which the Group has elected to monitor separately, notably the operations of the Group's holding entities (Executive Management services and central administrative costs) and other items that reconcile the aggregate figures of the segments with the Group's total consolidated figures.

### Segment indicators

For each of its operating segments, the Group presents the following income statement items which are monitored by the chief operating decision maker:

- revenue; and
- recurring operating profit before depreciation, amortisation, provisions and impairment losses.

The accounting methods applied for each operating segment are those used for preparing the consolidated financial statements. The information presented for each operating segment corresponds to *"contributive data"*, i.e. after eliminating inter-segment transactions.

| | By operating segment | | | | |
|---|---|---|---|---|---|
| **In Millions of euros** | **Cleaning** | **Multi-technical** | **International** | **Other** | **GROUP TOTAL** |
| **Year ended 31 Aug. 2014** | | | | | |
| **Revenue** | **697.2** | **436.6** | **157.5** | **(24.6)** | **1,266.7** |
| Recurring operating profit before depreciation, amortisation, provisions and impairment losses | 72.9 | 27.9 | 8.9 | (22.6) | **87.1** |
| **Year ended 31 August 2013** | | | | | |
| **Revenue** | **645.2** | **439.5** | **152.0** | **(30.5)** | **1,206.2** |
| Recurring operating profit before depreciation, amortisation, provisions and impairment losses | 63.4 | 25.8 | 8.6 | (22.9) | **74.9** |

The Group's chief operating decision maker does not monitor any other indicators for the operating segments presented above.

# NOTE 11
# OPERATING PROFIT

Recurring operating profit before depreciation, amortisation, provisions and impairment losses includes revenue and related income less expenses directly attributable to operations, which mainly comprise purchases consumed, other external charges, payroll costs and taxes other than on income. It also includes other recurring operating income and expenses.

In addition to recurring operating profit before depreciation, amortisation, provisions and impairment losses, recurring operating profit includes the majority of items that do not have a cash impact (depreciation, amortisation, impairment of non-financial assets, provisions, etc.), as well as various other items that cannot be directly attributed to another income statement heading.

### CICE tax credit

The CICE tax credit was introduced by the Amended French Finance Act for 2012 (Act 2012-1510 dated 29 December 2012). It is aimed at helping French companies to finance measures to enhance their competitiveness, notably in the areas of investment, research, innovation, recruitment, exploring new markets, ecology and energy efficiency, and rebuilding their working capital. The calculation of the CICE is based on the salaries not exceeding 2.5 times the French minimum wage that are paid to employees in a given calendar year.

The CICE rate has been set at 4% of eligible salaries paid from 1 January 2013 to 31 December 2013 and will be increased to 6% for subsequent years.

The CICE is set off against corporate income tax due for the year in which the eligible salaries are paid. Any receivables due from the French State corresponding to amounts that cannot be set off against income tax due for the year can be used as payment for tax due for the three years following the year in which the CICE tax credit is recognised. Beyond this three-year period any excess amount not set off against corporate income tax is repaid to the company.

The Group considers that as (i) the CICE is aimed at financing expenditure to enhance competitiveness, and(ii) the methods used for calculating and paying the CICE do not meet the definition of corporate income tax in IAS 12, it should be treated as a government grant within the scope of application of IAS 20. Consequently, it recognises the CICE as a deduction from payroll costs within recurring operating profit in the consolidated income statement and a corresponding accrued tax receivable is recognised in *"Other receivables"*.

The Group pre-finances its future CICE tax credit receivables through the Banque Public d'Investissement (BPI). Financing contracts are entered into through which the Group sells to BPI its estimated future receivables for the calendar year as a guarantee for financing received from BPI. At the end of the financial year the Group recognises a liability under *"Other current liabilities"* in an amount corresponding to the cash received from BPI through the pre-financing mechanism. Financing received in this way amounted to €46 million at 31 August 2014.

| In thousands of euros | **31 August 2014** | 31 August 2013[1] |
|---|---|---|
| **REVENUE** | **1,266,700** | **1,206,199** |
| Purchases consumed (including outsourcing) | (271,000) | (274,690) |
| External charges | (80,839) | (79,985) |
| Payroll costs | (802,154) | (760,368) |
| Taxes other than on income [2] | (22,406) | (20,373) |
| | | |
| Other recurring operating income and expenses: | | |
| Other income | 7,920 | 11,922 |
| Other expenses | (11,119) | (7,781) |
| | | |
| **RECURRING OPERATING PROFIT BEFORE DEPRECIATION, AMORTISATION, PROVISIONS AND IMPAIRMENT LOSSES** | **87,102** | **74,924** |
| Depreciation and amortisation, net | (22,519) | (20,240) |
| Provisions and impairment losses, net | (5,073) | 3,240 |
| | | |
| **RECURRING OPERATING PROFIT** | **59,510** | **57,924** |

(1) Figures shown for the year ended 31 August 2013 were modified to take into account the reclassification of temporary staff payroll costs and administrative outsourcing costs to *"Purchases consumed"* (these costs were included in *"External charges"* in the financial year ended 31 August 2013).
(2) CVAE is included within *"Income tax expense"* in the income statement.

# NOTE 12 FINANCE COSTS, NET & OTHER FINANCIAL INCOME AND EXPENSES

This line of the consolidated income statement reflects the impacts of the Group's financing transactions and comprises the following:

- Finance costs, net, which include interest paid on the Group's borrowings, the amortisation of issuing costs and interest received on available cash.
- Other financial income and expenses.

## 12.1 BREAKDOWN OF FINANCE COSTS, NET €(26,709) K

| In thousands of euros | **Year ended 31 Aug. 2014** | Year ended 31 Aug. 2013 |
|---|---|---|
| Financial expenses | (27,048) | (35,715) |
| Financial income | 339 | 103 |
| **FINANCE COSTS, NET** | **(26,709)** | **(35,612)** |
| Analysis: | | |
| Net interest on borrowings | (25,628) | (24,084) |
| Income from cash and cash equivalents | 339 | 103 |
| Interest on finance leases | (1,420) | (1,129) |
| Non-recurring expenses related to former financing (swap and issuance costs) | - | (10,502) |
| **TOTAL** | **(26,709)** | **(35,612)** |

## 12.2 BREAKDOWN OF OTHER FINANCIAL INCOME AND EXPENSES €(1,422) K

| In thousands of euros | **Year ended 31 Aug. 2014** | Year ended 31 Aug. 2013 |
|---|---|---|
| Dividends received from non-consolidated companies | 3 | 67 |
| Net (additions to)/reversals of provisions for financial items | (271) | (358) |
| Waivers of current accounts, gains and losses on disposals of non-consolidated shares and other financial assets, net interest other than on debt, foreign exchange gains and losses, and other | (1,154) | (1,183) |
| **OTHER FINANCIAL INCOME AND EXPENSES** | **(1,422)** | **(1,474)** |

# NOTE 13
# INCOME TAX EXPENSE

### CVAE

In accordance with IAS 12, the Group has elected to classify the CVAE contribution as an income tax and therefore to recognise the CVAE expense under the "Income tax expense" line in the consolidated income statement.

## 13.1 BREAKDOWN OF THE NET TAX CHARGE

| In thousands of euros | Year ended 31 August 2014 | | | Year ended 31 August 2013 | | |
|---|---|---|---|---|---|---|
| | France | Other countries | TOTAL | France | Other countries | TOTAL |
| Current income taxes | (559) | (1,281) | (1,840) | (20) | (1,530) | (1,550) |
| Deferred taxes | - | - | - | 1,697 | 64 | 1,761 |
| CVAE | (14,476) | - | (14,476) | (13,389) | - | (13,389) |
| **TOTAL** | **(15,035)** | **(1,281)** | **(16,316)** | **(11,712)** | **(1,466)** | **(13,178)** |

## 13.2 RECONCILIATION BETWEEN THEORETICAL AND EFFECTIVE TAX CHARGE (TAX PROOF)

| In thousands of euros | 2014 | 2013 |
|---|---|---|
| Profit for the period before income tax and CVAE | 31,380 | 20,837 |
| CVAE | (14,476) | (13,389) |
| Pre-tax profit | 16,904 | 7,448 |
| Theoretical tax rate | 34,43% | 34,43% |
| **Theoretical tax charge** | **(5,820)** | **(2,564)** |
| Net impact of the recognition/non-recognition of tax loss carryforwards | (3,341) | (3,963) |
| Permanent differences | 6,586 | 3,275 |
| Temporary differences not generating deferred taxes | (37) | 2,195 |
| Other (difference between French and foreign tax rates etc.) | 772 | 1,268 |
| **TOTAL DIFFERENCE** | **(1,840)** | **211** |
| CVAE | (14,476) | (13,389) |
| **TOTAL CURRENT AND DEFERRED TAXES** | **(16,316)** | **(13,178)** |

Under new French tax legislation, tax losses carried forward are only available to offset against €1 million of taxable profit, plus 50% of taxable profit for the year exceeding that amount.
The portion that cannot be offset in a given year may, however, be carried forward to subsequent years in which the losses will be offset subject to the same conditions (i.e. offset against €1 million in taxable profit + 50% of taxable profit for the year > €1 million).
In the case of a tax consolidation group, this rule is applicable at the level of the head of the tax group. The Atalian Group has three tax groups. No corporate income tax was recognised by the Group in FY 2013-2014 as the three tax groups - "La Financière Atalian", "TFN Val" and "TFN SI" - all recorded tax losses for the year.

# NOTE 14
# OFF-BALANCE SHEET COMMITMENTS

The notes below provide a summary of the Group's guarantee commitments, miscellaneous contractual commitments and finance lease commitments.
See Note 7 for further details of commitments given and received under financing contracts.

## 14.1 GUARANTEE COMMITMENTS

| In thousands of euros | 31 August 2014 | Due within 1 year | Due in 1 to 5 years | Due beyond 5 years |
|---|---|---|---|---|
| Pledges, mortgages and collateral | | | | |
| Guarantees and endorsements given | 18,687 | 1,869 | 16,818 | 0 |
| **TOTAL GUARANTEE COMMITMENTS GIVEN** | **18,687** | **1,869** | **16,818** | **0** |
| Pledges, mortgages and collateral | | | | |
| Guarantees and endorsements received | | | | |
| **TOTAL GUARANTEE COMMITMENTS RECEIVED** | **0** | **0** | **0** | **0** |

## 14.2 MISCELLANEOUS CONTRACTUAL COMMITMENTS

| In thousands of euros | 31 August 2014 | Due within 1 year | Due in 1 to 5 years | Due beyond 5 years |
|---|---|---|---|---|
| Discounted trade notes | | | | |
| Other | | | | |
| **TOTAL MISCELLANEOUS CONTRACTUAL COMMITMENTS GIVEN** | **0** | **0** | | **0** |
| Discounted bills | | | | |
| Commitments from factoring companies (1) | 130,000 | 130,000 | | |
| **TOTAL MISCELLANEOUS CONTRACTUAL COMMITMENTS RECEIVED** | **130,000** | **130,000** | **0** | **0** |

(1) Of which €119.7 million have been used.

## 14.3 COLLATERAL GRANTED

The Group has granted the following collateral as guarantees for the payment/repayment of financial obligations:

1. Atalian and TFN Val have granted collateral to guarantee the entire amount of the bond issue
2. TFN Val has pledged 80.9 % of its shares
3. Atalian Propreté has pledged 100 % of its shares

# NOTE 15
# HEADCOUNT

## 15.1 AVERAGE NUMBER OF EMPLOYEES (FULL-TIME EQUIVALENT)

| | **Year ended 2014** | Year ended 2013 |
|---|---|---|
| **France:** | | |
| Managers | 662 | 646 |
| Supervisors | 1,948 | 1,872 |
| Other | 23,012 | 22,291 |
| TOTAL - FRANCE | 25,622 | 24,809 |
| | | |
| INTERNATIONAL EMPLOYEES | 8,192 | 9,699 |
| | | |
| **TOTAL AVERAGE NUMBER OF EMPLOYEES** | **33,814** | **34,508** |

# NOTE 16
# LIST OF CONSOLIDATED COMPANIES

| COMPANY | % CONTROL August 2014 | % INTEREST August 2014 | Consolidation method |
|---|---|---|---|
| **FULLY CONSOLIDATED COMPANIES** | | | |
| **CORPORATE** | | | |
| ATALIAN | 100,00 | 100,00 | IG |
| ATALIAN SERVICES PARTAGÉS | 100,00 | 100,00 | IG |
| ATALIAN SERVICES FINANCIERS | 100,00 | 100,00 | IG |
| ATALIAN SERVICES COMPTABLES | 100,00 | 100,00 | IG |
| ATALIAN SERVICES DES RESSOURCES HUMAINES | 100,00 | 100,00 | IG |
| ATALIAN SERVICES INFORMATIQUES ET QUALITÉ | 100,00 | 100,00 | IG |
| SCI SAINT APOLLINAIRE | 100,00 | 100,00 | IG |
| ATALIAN AIRPORT SERVICES | 100,00 | 100,00 | IG |
| **CLEANING SERVICES** | | | |
| ATALIAN PÔLE PROPRETÉ | 100,00 | 100,00 | IG |
| SOCANET | 100,00 | 89,99 | IG |
| RIP | 100,00 | 100,00 | IG |
| DRX | 100,00 | 100,00 | IG |
| TNEX | 100,00 | 100,00 | IG |
| TFN VAL | 89,99 | 89,99 | IG |
| TFN IDF | 100,00 | 89,99 | IG |
| TFN APPROS ET TECHNIQUES | 100,00 | 89,99 | IG |
| TFN SUD EST | 100,00 | 89,99 | IG |
| COMATEC | 100,00 | 89,99 | IG |
| EPPSI | 100,00 | 89,99 | IG |
| USP NETTOYAGE | 100,00 | 89,99 | IG |
| TFN PROPRÉTE PACA | 100,00 | 89,99 | IG |
| TFN PROPRÉTE NORD NORMANDIE | 100,00 | 89,99 | IG |
| TFN PROPRÉTE OUEST | 100,00 | 89,99 | IG |
| TFN PROPRÉTE SUD OUEST | 100,00 | 89,99 | IG |
| TFN PROPRÉTE EST | 100,00 | 89,99 | IG |
| TFN PROPRÉTE CENTRE | 100,00 | 89,99 | IG |
| TFN PROPRÉTE RHÔNE-ALPES | 100,00 | 89,99 | IG |
| CARRARD SERVICES | 100,00 | 89,99 | IG |
| FRANCE CLAIRE | 100,00 | 89,99 | IG |
| NETECLER | 100,00 | 89,99 | IG |
| MARIETTA | 100,00 | 89,99 | IG |
| PROBUS | 100,00 | 89,99 | IG |
| TFS | 100,00 | 89,99 | IG |
| **TRANSPORT/LOGISTICS** | | | |
| TFN AFFRÈTEMENT ET LOGISTIQUE | 100,00 | 100,00 | IG |
| LOGISMARK | 89,99 | 89,99 | IG |
| **FACILITIES MANAGEMENT** | | | |
| ATALIAN MULTISERVICES | 100,00 | 100,00 | IG |
| ATALIAN FACILITIES | 100,00 | 100,00 | IG |
| ERGELIS | 51,00 | 51,00 | IG |
| **TECHNICAL** | | | |
| TFN BÂTIMENT | 100,00 | 100,00 | IG |
| MTO ECLAIRAGE PUBLIC | 99,50 | 89,53 | IG |
| SCI AMPÈRE | 100,00 | 100,00 | IG |
| **SECURITY** | | | |
| ATALIAN PÔLE SECURITÉ | 100,00 | 100,00 | IG |
| LANCRY PROTECTION SÉCURITÉ (LPS) | 100,00 | 100,00 | IG |
| LANCRY FORMATION | 100,00 | 100,00 | IG |
| AIRPORT PASSENGERS & FREIGHT SECURITY | 100,00 | 90,15 | IG |

| COMPANY | % CONTROL August 2014 | % INTEREST August 2014 | Consolidation method |
|---|---|---|---|
| **LANDSCAPING** | | | |
| ATALIAN PÔLE ESPACES VERTS | 100,00 | 100,00 | IG |
| PINSON PAYSAGE | 100,00 | 100,00 | IG |
| ARPAJA | 100,00 | 100,00 | IG |
| SUPERSOL | 100,00 | 100,00 | IG |
| PINSON MIDI PYRÉNÉES | 100,00 | 89,99 | IG |
| PINSON PAYSAGE RHÔNE ALPES | 100,00 | 89,99 | IG |
| PINSON PAYSAGE NORD | 100,00 | 100,00 | IG |
| PINSON NORMANDIE (EX PHYTO ENVIRONNEMENT) | 100,00 | 89,99 | IG |
| **FIRE SAFETY** | | | |
| ATALIAN PÔLE SECURITE INCENDIE (SI) | 94,85 | 94,85 | IG |
| SPF | 100,00 | 94,85 | IG |
| **INTERNATIONAL** | | | |
| FR-ANSWER PLUS GLOBAL SERVICES | 50,00 | 50,00 | IG |
| BE-ATALIAN GLOBAL SERVICES BELGIUM (EX DEPLO) | 92,05 | 92,05 | IG |
| BE-ATALIAN INTERNATIONAL BELGIQUE | 100,00 | 99,98 | IG |
| BE-ATALIAN CLEANING SERVICES | 100,00 | 99,98 | IG |
| BE-TFN CLEANING SERVICES | 100,00 | 99,98 | IG |
| CZ-ATALIAN CZ SRO (TFN EX-JANA) | 92,18 | 92,18 | IG |
| CZ-ATALIAN SERVIS CZ SRO (EX TFN SECURITY) | 100,00 | 92,18 | IG |
| CZ-KAF | 92,50 | 85,27 | IG |
| ES-PÔLE INTERNATIONAL TFN ESPANA | 100,00 | 100,00 | IG |
| ES-MARTONET | 100,00 | 100,00 | IG |
| ES-NETEGES MARESME | 100,00 | 100,00 | IG |
| HU-TFN HUNGARIA | 99,75 | 99,75 | IG |
| HU-MTO HUNGARIA | 100,00 | 99,98 | IG |
| HU-ATALIAN GLOBAL SERVICES HUNGARY | 100,00 | 100,00 | IG |
| HU-ATALIAN FACILITY MANAGEMENT & GLOBAL SERVICES | 100,00 | 100,00 | IG |
| HU-ATALIAN GLOBAL SERVICES & SECURITY | 100,00 | 100,00 | IG |
| HU-KESMARK | 100,00 | 100,00 | IG |
| HR-TFN HRVATSKA | 100,00 | 100,00 | IG |
| HR-EKUS | 92,00 | 92,00 | IG |
| HR-KADUS PRIVREMENO ZAPOSLJAVANJE | 92,00 | 92,00 | IG |
| LU- ATALIAN GLOBAL SERVICES LUXEMBOURG (EX AVISIA PROPRÉTE) | 100,00 | 100,00 | IG |
| LU-ATALIAN EUROPE (EX ATALIAN INTERNATIONAL) | 100,00 | 100,00 | IG |
| LU-GENIE THERM | 93,75 | 93,75 | IG |
| LU-CITY ONE LUXEMBOURG | 50,00 | 50,00 | IG |
| LU-ATALIAN INTERNATIONAL | 100,00 | 98,00 | IG |
| RO-ATALIAN ROMANIA | 86,00 | 86,00 | IG |
| RO-IQ REAL ESTATE | 100,00 | 86,00 | IG |
| SK-ATALIAN | 100,00 | 92,18 | IG |
| SK-CI SERVIS | 31,00 | 28,58 | IG |
| SK-ATALIAN FACILITY | 61,87 | 65,00 | IG |
| PL-POL-K ATALIAN | 100,00 | 100,00 | IG |
| MU-ANSWERPLUS LIMITED | 86,99 | 86,99 | IG |
| MA-ATALIAN MAROC | 100,00 | 100,00 | IG |
| MA- ATALIAN FACILITY MANAGEMENT (EX VIP SURVEILLANCE) | 70,00 | 70,00 | IG |
| MA-ATALIAN SURVEILLANCE | 70,00 | 70,00 | IG |
| TR - ARTEM | 51,00 | 49,98 | IG |
| TR- ETKIN SERVIS HIZMETLERI AS | 51,00 | 49,98 | IG |
| HK- ATALIAN ASIA HOLDING LIMITED | 98,00 | 96,04 | IG |
| TH- ATALIAN HOLDING THAILAND | 49,00 | 47,06 | IG |
| TH- FM ADVANCE SERVICE CO | 100,00 | 24,00 | IG |
| ID- PT ATALIAN INDONESIA | 100,00 | 96,24 | IG |
| ID- TRITUNGGAL SEJAHTERA MARGAWI | 49,00 | 47,16 | IG |
| ID- ABDI MITRA PROPERTI | 49,00 | 47,16 | IG |

| COMPANY | % CONTROL August 2014 | % INTEREST August 2014 | Consolidation method |
|---|---|---|---|
| **SERVICE ENGINEERING** | | | |
| ATALIAN PÔLE INGÉNIERIE DES SERVICES | 100,00 | 100,00 | IG |
| MAINTENANCE TECHNIQUE OPTIMISÉE (MTO) | 100,00 | 100,00 | IG |
| MTO LIBAN | 99,14 | 99,14 | IG |
| EUROGEM | 100,00 | 100,00 | IG |
| FACILMAP | 100,00 | 100,00 | IG |
| MTO INDUSTRIES ET SERVICES | 100,00 | 100,00 | IG |
| **PAINTING, PARQUET FLOORING AND OTHER FLOOR COVERINGS** | | | |
| ATALIAN PÔLE PPR | 100,00 | 100,00 | IG |
| LAGRANGE COUVERTURE (ex BATIMMO) | 100,00 | 100,00 | IG |
| SERVOPTIM JEAN LETUVE | 100,00 | 100,00 | IG |
| O2TL | 100,00 | 100,00 | IG |
| GERMOT ET CRUDEMAIRE | 100,00 | 100,00 | IG |
| **PROPORTIONATELY CONSOLIDATED COMPANIES** | | | |
| TFN LOGISTIK | 33,33 | 33,33 | IP |
| **COMPANIES ACCOUNTED FOR BY THE EQUITY METHOD** | | | |
| CITY ATALIAN FERROVIAIRE | 49,00 | 44,00 | MEE |
| CITY SERVICES | 50,00 | 50,00 | MEE |

# NOTE 17
# STATUTORY AUDITORS' FEES

## 17.1 BREAKDOWN OF FEES PAID TO THE STATUTORY AUDITORS

Fees paid by the Group to the Statutory Auditors and members of their networks for their audit of the consolidated financial statements of La Financière Atalian and its subsidiaries can be analysed as follows.

| | **31 August 2014** | | | | | 31 August 2013 | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | BUGEAUD | PWC | KPMG | OTHER | TOTAL | BUGEAUD | PWC | KPMG | OTHER | TOTAL |
| Statutory audit work | 750 | 759 | 23 | 103 | **1,635** | 703 | 720 | 54 | 37 | **1,514** |
| **TOTAL** | **750** | **759** | **23** | **103** | **1,635** | **703** | **720** | **54** | **37** | **1,514** |

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